

<i>SERFF Tracking Number:</i>	<i>CAIC-126646101</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Continental American Insurance Company</i>	<i>State Tracking Number:</i>	<i>45782</i>
<i>Company Tracking Number:</i>	<i>7639</i>		
<i>TOI:</i>	<i>H02G Group Health - Accident Only</i>	<i>Sub-TOI:</i>	<i>H02G.000 Health - Accident Only</i>
<i>Product Name:</i>	<i>NGAA Accident Advantage</i>		
<i>Project Name/Number:</i>	<i>NGAA Accident Advantage/7639</i>		

Filing at a Glance

Company: Continental American Insurance Company

Product Name: NGAA Accident Advantage

TOI: H02G Group Health - Accident Only

Sub-TOI: H02G.000 Health - Accident Only

Filing Type: Form

SERFF Tr Num: CAIC-126646101

SERFF Status: Closed-Approved-Closed

Co Tr Num: 7639

Author: Cindy Lama

Date Submitted: 05/26/2010

State: Arkansas

State Tr Num: 45782

State Status: Approved-Closed

Reviewer(s): Rosalind Minor

Disposition Date: 07/14/2010

Disposition Status: Approved-Closed

Implementation Date:

Implementation Date Requested: On Approval

State Filing Description:

General Information

Project Name: NGAA Accident Advantage

Project Number: 7639

Requested Filing Mode: Review & Approval

Explanation for Combination/Other:

Submission Type: New Submission

Overall Rate Impact:

Filing Status Changed: 07/14/2010

Deemer Date:

Submitted By: Cindy Lama

Filing Description:

Please see attached cover letter.

National Guard Association of Arkansas, Inc.

Enclosed: Bylaws and Articles of Incorporation

Status of Filing in Domicile: Pending

Date Approved in Domicile:

Domicile Status Comments: AR is association's domicile.

Market Type: Group

Group Market Size: Small and Large

Group Market Type: Association

Explanation for Other Group Market Type:

State Status Changed: 07/14/2010

Created By: Cindy Lama

Corresponding Filing Tracking Number: 7639

Company and Contact

Filing Contact Information

Cindy Lama, Compliance Analyst

companycompliance@caicworksite.com

SERFF Tracking Number: CAIC-126646101 State: Arkansas
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2801 Devine Street 888-730-2244 [Phone] 4333 [Ext]
 Columbia, SC 29205 803-929-4992 [FAX]

Filing Company Information

Continental American Insurance Company CoCode: 71730 State of Domicile: South Carolina
 2801 Devine Street Group Code: Company Type: LAH
 Columbia, SC 29205 Group Name: Continental Amer Ins State ID Number:
 Co
 (803) 256-6265 ext. [Phone] FEIN Number: 57-0514130

Filing Fees

Fee Required? Yes
 Fee Amount: \$250.00
 Retaliatory? No
 Fee Explanation: Filing or review of life and health policy/contracts, endorsements, certificate, riders, applications
 or annuity forms, per form...\$50.00.
 5 forms x \$50 = 250.00
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Continental American Insurance Company	\$250.00	05/26/2010	36825106

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Rosalind Minor	07/14/2010	07/14/2010
Disapproved	Rosalind Minor	07/08/2010	07/08/2010

Amendments

Schedule	Schedule Item Name	Created By	Created On	Date Submitted
Form	Group Master Policy	Cindy Lama	06/01/2010	06/01/2010
Form	Certificate of Insurance	Cindy Lama	06/01/2010	06/01/2010
Supporting Document	Amendment Letter 6-1-2010	Cindy Lama	06/01/2010	06/01/2010
Form	Master Application	Cindy Lama	05/26/2010	05/26/2010
Form	Enrollment Application	Cindy Lama	05/26/2010	05/26/2010

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Status of Filing	Note To Filer	Rosalind Minor	06/28/2010	06/28/2010
Status Update	Note To Reviewer	Cindy Lama	06/28/2010	06/28/2010

<i>SERFF Tracking Number:</i>	<i>CAIC-126646101</i>	<i>State:</i>	<i>Arkansas</i>
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Disposition

Disposition Date: 07/14/2010

Implementation Date:

Status: Approved-Closed

Comment:

This submission has been reopened after reconsidering the disapproval of the association.

The Life & Health Division and the Legal Division, after further review and consultation, has determined that the National Guard Association of Arkansas, Inc. is a true group association; therefore, this submission is being reopened and approved effective on this date.

We appreciate your understanding in this matter.

Rate data does NOT apply to filing.

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Product Name: NGAA Accident Advantage

Project Name/Number: NGAA Accident Advantage/7639

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Flesch Certification	Approved-Closed	Yes
Supporting Document	Application	Approved-Closed	Yes
Supporting Document	Cover Letter	Approved-Closed	Yes
Supporting Document	AR Association Checklist	Approved-Closed	Yes
Supporting Document	Bylaws & Articles of Incorporation	Approved-Closed	Yes
Supporting Document	Amendment Letter 6-1-2010	Approved-Closed	Yes
Form (revised)	Group Master Policy	Approved-Closed	Yes
Form	Group Master Policy	Replaced	Yes
Form (revised)	Certificate of Insurance	Approved-Closed	Yes
Form	Certificate of Insurance	Replaced	Yes
Form (revised)	Master Application	Approved-Closed	Yes
Form (revised)	Enrollment Application	Approved-Closed	Yes
Form	Dependent Accident Rider	Approved-Closed	Yes
Form	Master Application	Replaced	Yes
Form	Enrollment Application	Replaced	Yes

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Disposition

Disposition Date: 07/08/2010

Implementation Date:

Status: Disapproved

Comment: Thank you for your patience with our Department's review of this association filing.

Under the AR association requirements, item # 13, it is stated that the association is established as a broker with AFLAC. They receive 30% of the commissions. ACA 23-86-106(E) states that an insurer may not issue a group accident and health insurance policy to an association in which the insurer has an affiliation.

Under the Certificate of Incorporation, one of the main purposes for which the corporation is formed is to enter into a contractual relationship with an insurance company or companies to obtain for its members and associate members benefits under a group life insurance policy.....

ACA 23-86-106(2)(A) (iii) states that the association has been organized and maintained in good faith in active existence for at least 2 years for purposes other than that of obtaining insurance or insuring members.

Based upon my above statements, our Department does not consider the association as a true group association and the submission is being DISAPPROVED.

Rate data does NOT apply to filing.

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Form	Master Application	Replaced	Yes
Form	Enrollment Application	Replaced	Yes

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Note To Filer

Created By:

Rosalind Minor on 06/28/2010 02:59 PM

Last Edited By:

Rosalind Minor

Submitted On:

07/14/2010 01:24 PM

Subject:

Status of Filing

Comments:

The filing is in our Legal Department. i had a question on the association being a broker with AFLAC and the 30% commision.

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Note To Reviewer

Created By:

Cindy Lama on 06/28/2010 02:09 PM

Last Edited By:

Rosalind Minor

Submitted On:

07/14/2010 01:24 PM

Subject:

Status Update

Comments:

Good afternoon Ms. Minor:

We would like to know the status of this filing. Please advise.

Thank you and have a nice day.

Cindy Lama

SERFF Tracking Number: CAIC-126646101 State: Arkansas
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 Product Name: NGAA Accident Advantage
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Amendment Letter

Submitted Date: 06/01/2010

Comments:

Please see attached letter & revisions.

Thank you.

Changed Items:

Form Schedule Item Changes:

Form Schedule Item Changes:

Form Number	Form Type	Form Name	Action	Form Action Other	Previous Filing #	Replaced Form #	Readability Score	Attachments
CAI77000AR	Policy/Contr	Group	Initial				46.000	1 CAI77000AR-NGAA Policy.pdf
CAI77001AR	Certificate	Certificate of Initial Insurance					44.000	2 CAI77001AR-NGAA Cert.pdf

Supporting Document Schedule Item Changes:

User Added -Name: Amendment Letter 6-1-2010

Comment:

Amendment Letter 6-1-2010.pdf

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 Product Name: NGAA Accident Advantage
 Project Name/Number: NGAA Accident Advantage/7639

Amendment Letter

Submitted Date: 05/26/2010

Comments:

Good afternoon:

We apologize. The previously uploaded master application didn't have the correct form number on the bottom left corner and the previously uploaded enrollment application didn't have "member" language.

Thanks,

Cindy Lama

Changed Items:

Form Schedule Item Changes:

Form Schedule Item Changes:

Form Number	Form Type	Form Name	Action	Form Action Other	Previous Filing #	Replaced Form #	Readability Score	Attachments
CAI7710-NGAA	Application/EMaster nrollment Form	Application	Initial					3 CAI7710-NGAA MA.pdf
CA-2006-ACC-NGAA	Application/EErollment Form	Application	Initial					4 CA-2006-ACC-NGAA.pdf

SERFF Tracking Number: CAIC-126646101 State: Arkansas

Filing Company: Continental American Insurance Company State Tracking Number: 45782

Company Tracking Number: 7639

TOI: H02G Group Health - Accident Only Sub-TOI: H02G.000 Health - Accident Only

Product Name: NGAA Accident Advantage

Project Name/Number: NGAA Accident Advantage/7639

Form Schedule

Lead Form Number: CAI77000AR-NGAA

Schedule Item	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
Status							
Approved- Closed 07/14/2010	CAI77000A R-NGAA	Policy/Cont Group Master Policy ract/Fratern al Certificate	Initial			46.000	1 CAI77000AR- NGAA Policy.pdf
Approved- Closed 07/14/2010	CAI77001A R-NGAA	Certificate Certificate of Insurance	Initial			44.000	2 CAI77001AR- NGAA Cert.pdf
Approved- Closed 07/14/2010	CAI7710- NGAA	Application/Master Application Enrollment Form	Initial				3 CAI7710- NGAA MA.pdf
Approved- Closed 07/14/2010	CA-2006- ACC-NGAA	Application/Enrollment Enrollment Form	Initial				4 CA-2006- ACC- NGAA.pdf
Approved- Closed 07/14/2010	CAI7722AR -NGAA	Certificate Dependent Accident Amendmen Rider t, Insert Page, Endorseme nt or Rider	Initial			42.000	5 CAI7722AR- NGAA DR.pdf



CONTINENTAL AMERICAN INSURANCE COMPANY

2801 Devine Street, Columbia, South Carolina 29205
800-433-3036

Based on the application for this Group Accidental Injury Insurance Policy (herein called the Plan) made by

NATIONAL GUARD ASSOCIATION OF ARKANSAS, INC.
(herein called the Policyholder)

and based on the payment of the premium when due, Continental American agrees to pay the benefits provided on the following pages.

This Plan becomes effective at 12:01 a.m. Standard Time at the policyholder's address on the Effective Date shown below. It may be continued in effect by the payment of premiums as provided in Section II. The Plan will terminate as provided in the provision titled "Termination of the Plan" in Section I.

The first anniversary of this Plan will be the Anniversary Date shown below. Subsequent anniversaries of the Plan will be the same date each year thereafter.

All matter printed or written by Continental American on the following pages forms a part of this Plan as if recited over the signatures below. This Plan is a legal contract between Continental American and the Policyholder.

This Plan is delivered in and is governed by the laws of the jurisdiction shown below.

In witness whereof Continental American has caused this Plan to be executed at its Home Office in Columbia, South Carolina on the Effective Date.

READ YOUR POLICY CAREFULLY.
Signed for the Company at its Home Office.

A handwritten signature in black ink, appearing to read "Eugene C. Smith".

President

Countersigned By _____

Group Policy Number- 1234
Effective Date - January 1, 2003
Anniversary Date - January 1, 2004
Jurisdiction - Arkansas
Non-Participating

ANY CERTIFICATES ISSUED IN THE STATE OF ARKANSAS ARE GOVERNED BY THE STATE OF ARKANSAS.

GROUP POLICY PROVISIONS

SECTION I	-	Eligibility, Effective Date and Termination
SECTION II	-	Premium Provisions
SECTION III	-	Definitions
SECTION IV	-	Benefit Provisions
SECTION V	-	Limitations and Exclusions
SECTION VI	-	Claim Provisions
SECTION VII	-	General Provisions
SECTION VIII	-	Benefit Schedule
SECTION IX	-	Occupational Classifications and Schedule of Premiums
SECTION X	-	Incorporation of Rider Provisions

SECTION I ELIGIBILITY, EFFECTIVE DATE AND TERMINATION

ELIGIBILITY

Member as used in this Plan, means a person insured under this Plan:

1. who is a Member of the Policyholder;
2. who is under age [70]; and
3. who is engaged in full-time work; and
4. who is included in the class of Members eligible for coverage as shown on the Application.

EFFECTIVE DATE

The Effective Date of this Plan is shown on Page 1.

The Effective Date for a Member is as follows:

1. A Member's insurance will be effective on the date shown on the Certificate Schedule provided the Member is then actively at work.
2. If a Member is not actively at work on the date coverage would otherwise become effective, the Effective Date of his or her coverage will be the date on which such Member is first thereafter actively at work.

TERMINATION OF THE PLAN

The Plan will cease if the policyholder fails to pay the premium before the end of the Grace Period.

After the end of the [first] Plan year, Continental American has the right to cancel the Plan on the day prior to the date any premium is due by giving 31 days written notice.

The Plan will terminate when the number of participating Members is less than the number mutually agreed upon by the Policyholder and Continental American in writing.

In these events, this Plan and all certificates issued hereunder will terminate on such date at 12:01 A.M. Standard Time at the Policyholder's address. This will be without prejudice to the rights of any Member as respects any claim arising during the period the Plan is in force.

The Policyholder has the sole responsibility to notify Members of such termination.

TERMINATION OF A MEMBER'S INSURANCE

A Member's insurance will terminate on the earliest of:

1. the date the Plan is terminated;
2. on the 31st day after the premium due date if the required premium has not been paid;
3. on the date a Member ceases to meet the definition of a Member as defined in the Plan;
4. on the premium due date which falls on or first follows the Member's [70th] birthday; or
5. on the date he or she is no longer a member of the class eligible.

Termination of the insurance on any Member shall be without prejudice to his or her rights as regarding any claim arising prior thereto.

[PORTABILITY PRIVILEGE]

When coverage would otherwise terminate under this Plan because a Member ends membership with the Policyholder, he may elect to continue his coverage. The coverage he may continue is that which he had on the date his membership terminated, including dependent coverage then in effect.

1. Coverage may not be continued for any of the following reasons:
 - a. the Member failed to pay any required premium;
 - b. [the Member having attained age 70;
 - c.]this Group Policy terminates.
2. To keep his insurance in force a Member must:
 - a. make written application to the Company within 31 days after the date insurance would otherwise terminate; and
 - b. pay the required premium to the Company no later than 31 days after the date insurance would otherwise terminate.
3. Insurance will cease [on the earliest of these dates:
 - a.]the date the Member fails to pay any required premium;[
 - b. the date this Group Policy is terminated].

[In the event the Policyholder's cancels coverage or the Plan is closed for new enrollments, the Policy will remain in effect for the benefit of those who have continued their coverage under the portability provision prior to the policy cancellation date.]

[Portability will remain available during the notification period prior to the cancellation date of the coverage.]

If a Member qualifies for this Portability Privilege as described, then the same benefits, Plan provisions, and premium rate as shown in the Plan/certificate as previously issued will apply.]

SECTION II

PREMIUM PROVISIONS

PREMIUM CALCULATIONS

Premiums payable on any premium due date for insurance on Members will be calculated in accordance with the Schedule of Premiums. The rates shown in this schedule can be changed [annually]. Continental American will give the Policyholder written notice 31 days prior to the date any change in rates is to be effective.

PREMIUM PAYMENTS

The first premiums are due on the Effective Date of this Plan. After that, premiums are due on the first day of each month that the Plan remains in effect.

Aggregate premiums for this Plan are to be paid by the Policyholder to Continental American at our Home Office in Columbia, South Carolina. Payment of any premium will not keep the Plan in force beyond the due date of the next premium, except as set forth in the Grace Period.

GRACE PERIOD

This Plan has a 31 day Grace Period. This means that if a renewal premium is not paid on or before the date it is due, it may be paid during the next 31 days. During the Grace Period, the Plan will stay in force, unless the Policyholder has given Continental American written notice of discontinuance of the Plan.

SECTION III DEFINITIONS

When the terms below are used in this Plan, the following definitions will apply:

We, Us, Our - means Continental American Insurance Company.

You and Your - refer to a Member as defined in this Plan.

Accidental Injury or Injuries - means bodily injury or injuries caused solely by or as the result of a covered accident.

Covered Accident - means an accident which occurs on or after your Effective Date, while your certificate is in force and which is not specifically excluded.

Doctor or Physician - means a person, other than yourself or a member of your immediate family, who:

1. is licensed by the state to practice a healing art;
2. performs services which are allowed by his or her license; and
3. performs services for which benefits are provided by this Plan.

Under the Fractures and Dislocations Benefit, a doctor means a person, other than yourself or a member of your immediate family, who is licensed by the state to practice medicine or osteopathy.

Hospital - means a place which:

1. is legally licensed and operated as a hospital;
2. provides overnight care of injured and sick people;
3. is supervised by a doctor;
4. has full-time nurses supervised by a registered nurse;
5. has on-site or pre-arranged use of X-ray equipment, laboratory and surgical facilities; and
6. maintains permanent medical history records.

A hospital is not:

1. a nursing home;
2. an extended care facility;
3. a convalescent home;
4. a rest home or a home for the aged;
5. a place for alcoholics or drug addicts; or
6. a mental institution.

Hospital Intensive Care Unit - means a specifically designed facility of the hospital that provides the highest level of medical care which is restricted to those patients who are critically ill or injured. Such facilities must be separate and apart from the surgical recovery room and from rooms, beds, and wards customarily used for patient confinement. They must be permanently equipped with special life-saving equipment for the care of the critically ill or injured. They must be under constant and continuous observation by nursing staffs assigned on a full-time basis, exclusively to the Intensive Care Unit.

Immediate Family - means your spouse, son, daughter, mother, father, sister or brother.

Your Occupation - means the occupation in which you are regularly engaged at the time you become disabled.

Actively at Work - to be considered actively at work, you must perform for a full normal workday the regular duties of your employment at the regular place of business of the Policyholder or at a location to which you may be required to travel to perform the regular duties of your employment.

Full-Time Work - means spending at least [30] hours per week performing your occupational duties.

Treatment or Medical Treatment - means consultation, care or services provided by a physician including diagnostic measures and taking prescribed drugs and medicines.

Elimination Period - means the number of days of hospital confinement that must elapse before benefits become payable. The number of days is shown in the Benefit Schedule. Benefits are not payable, nor do they accrue during an Elimination Period.

[ON-JOB BENEFITS] - On-job benefits means the benefits we will pay if a covered accident occurs while you are working at any job for pay or benefits.]

[OFF-JOB BENEFITS] - Off-job benefits means the benefits we will pay if a covered accident occurs while you are not working at any job for pay or benefits.]

SECTION IV BENEFIT PROVISIONS

The benefit amounts payable under this section are shown in the Benefit Schedules. Coverage terminates on the premium due date which falls on or first follows your [70th] birthday; at that time all benefits cease regardless of the maximum benefit period.

FRACTURES

Fractures - A fracture is a break in a bone which can be seen by x-ray you fracture a bone in a covered accident, and it is diagnosed and treated by a physician within 90 days after the accident, we will pay the appropriate amount shown in the Benefit Schedule.

If the fracture requires open reduction, we will pay [150%] of the amount shown in the Benefit Schedule.

Multiple Fractures - If more than one fracture requiring either open or closed reduction occurs in any one covered accident, we will pay the amounts shown in the Benefit Schedule for each fracture. However, we will pay no more than [150%] of the benefit amount for the bone fractured which has the higher dollar value.

Chip Fracture - A chip fracture is a piece of bone which is completely broken off near a joint. If a physician diagnoses the fracture as a chip fracture, we will pay 10% of the amount shown in the Benefit Schedule for the affected bone.

DISLOCATIONS

Dislocation - A dislocation is a completely separated joint. If you dislocate a joint in a covered accident, and it is diagnosed and treated by a physician within 90 days after the accident, we will pay the amount shown in the Benefit Schedule.

If the dislocation requires open reduction, we will pay [150%] of the amount shown in the Benefit Schedule.

We will pay benefits only for the first dislocation of a joint. We will not pay for recurring dislocations of the same joint. If you dislocated a joint before the Effective Date of this Certificate and you dislocate the same joint again, it will not be covered by this Certificate.

Multiple Dislocations - If more than one dislocation requiring either open or closed reduction occurs in any one covered accident, we will pay the amounts shown in the Benefit Schedule for each dislocation. However, we will pay no more than [150%] of the benefit amount for the joint dislocated which has the higher dollar value.

Partial Dislocation - A partial dislocation is one in which the joint is not completely separated. If a physician diagnoses and treats the accidental injury as a partial dislocation, we will pay 25% of the amount shown in the Benefit Schedule for the affected joint.

Fracture and Dislocation - If you fracture a bone and dislocate a joint in the same accident, we will pay for both. However, we will pay no more than [150%] of the benefit amount for the bone fractured or joint dislocated which has the higher dollar value.

LACERATIONS

Lacerations - If you receive laceration in a covered accident and the laceration is repaired with stitches by a physician within 72 hours after the accident, we will pay the appropriate amount shown in the Benefit Schedule. The amount paid will be based on the length of the laceration.

If you receive a laceration in a covered accident and the laceration does not require stitches but is treated by a physician within 72 after the accident, we will pay the appropriate amount shown in the Benefit Schedule.

If you suffer multiple lacerations in a covered accident and the lacerations are repaired with stitches by a physician within 72 hours after the accident, we will pay this benefit based on the largest single laceration which requires stitches, as shown in the Benefit Schedule.

CONCUSSIONS

Concussions - If you are injured in a covered accident and the injury causes you to have a concussion, we will pay this benefit in the amount shown in the Benefit Schedule. Concussion means a head injury resulting in electroencephalogram abnormality.

COMA

Coma - If you suffer a coma lasting 30 days or more as the result of a covered accident, we will pay this benefit as shown in the Benefit Schedule. Coma means a state of profound unconsciousness caused by a covered accident.

EMERGENCY DENTAL WORK

Emergency Dental Work - We will pay this benefit if you receive an injury to sound natural teeth as the result of a covered accident. We will pay for repair with a crown or for extraction as shown in the Benefit Schedule.

INJURIES REQUIRING SURGERY

Eye Injuries - If you injure an eye in a covered accident and surgical repair is performed by a physician within 90 days after the accident, we will pay the amount shown in the Benefit Schedule. If a physician removes a foreign body from your eye, with or without anesthesia, we will pay the amount shown in the Benefit Schedule.

Tendons and Ligaments - If you tear, sever or rupture a tendon or ligament in a covered accident, receive treatment from a physician within 60 days, and have surgical repair within 90 days after the accident, we will pay the appropriate amount shown in the Benefit Schedule. The amount paid will be based on the number (single or multiple) of tendons or ligaments repaired.

If you are in a covered accident and fracture a bone or dislocate a joint, and tear, sever or rupture a tendon or ligament, we will pay only one benefit. We will pay the largest of the fracture benefit, the dislocation benefit, or the tendon and ligament benefit.

Ruptured Disc - If you rupture a disc in your spine in a covered accident, receive treatment from a physician within 60 days after the accident and have surgical repair by a physician within one year after the accident, we will pay the appropriate amount shown in the Benefit Schedule. The amount paid will be based on when the accident occurred.

Torn Knee Cartilage - We will pay this benefit in the amount shown in the Benefit Schedule if you are injured in a covered accident and:

1. Accidental injuries result in torn knee cartilage;
2. Such injury requires treatment by a physician within 60 days from the date of the covered accident; and
3. Such injury requires repair by surgical operation within one year from the date of the covered accident.

The amount paid will be based on when the accident occurred.

Internal Injuries - We will pay this benefit as shown in the Benefits Schedule if you have internal injuries as the result of a covered accident which results in open abdominal or thoracic surgery.

Exploratory Surgery - If as the result of an injury in a covered accident you have exploratory surgery (without repair), we will pay the amount shown on the Benefit Schedule.

PARALYSIS

Paralysis - Paralysis means the permanent loss of movement of two or more limbs. If you are injured in a covered accident and the injury causes paralysis which lasts more than 90 days and is diagnosed by a physician within 90 days after the accident, we will pay the appropriate amount shown in the Benefit Schedule. The amount paid will be based on the number of limbs paralyzed.

If this benefit is paid and you later die as a result of the same covered accident, we will pay the appropriate Death Benefit, less any amounts paid under the Paralysis Benefit.

BURNS

Burns - If you are burned in a covered accident and are treated by a physician within 72 hours after the accident, we will pay the burn benefit shown in the Benefit Schedule according to the percentage of body surface burned.

First degree burns are not covered.

SERVICES

Blood/Plasma - If you are injured in a covered accident and receive blood or plasma as a result of the injury within 90 days after the accident, we will pay the amount shown in the Benefit Schedule.

Ambulance - If you are injured in a covered accident and require transportation to a hospital by a professional ambulance service (including "air ambulance" service) within 90 days after the accident, we will pay the appropriate amount shown in the Benefit Schedule.

Transportation - We will pay this benefit if you are injured in a covered accident and the injury causes the attending physician to recommend hospital treatment or diagnostic study which is not available in your city of residence. We will pay the applicable amount shown in the Benefit Schedule for transportation by train, plane, or bus for each covered accident. Use of such transportation must begin within 90 days from the date of the covered accident. The distance to the location of the hospital treatment or diagnostic study must be greater than 50 miles from your residence.

Family Member Lodging - We will pay this benefit in amount and for the number of days shown in the Benefit Schedule, for each night's lodging in a motel/hotel room for an adult member of your immediate family when you are confined to a hospital for treatment of an injury due to a covered accident. The Hospital and motel/hotel must be more than 100 miles from your residence. The treatment must be prescribed by your local physician.

Medical Fees - If you are injured in a covered accident and receive treatment within one year after the accident, we will pay the amount shown in the Benefit Schedule for:

1. emergency room services and supplies;
2. X-rays;
3. physician services.

We will pay for these services up to the total amount shown for medical fees in the Benefit Schedule, for each covered accident.

This benefit is payable if you received initial treatment within 60 days after the accident.

Prosthesis - We will pay the amount shown in the Benefit Schedule for each prosthetic device you use as the result of an injury received in a covered accident. Hearing aids, wigs, or dental aids including but not limited to false teeth are not covered.

Appliances - If you are advised by a physician to use a medical appliance as an aid in personal locomotion as the result of an injury received in a covered accident, we will pay the amount shown in the Benefit Schedule. Medical appliance means crutches, wheelchairs, leg braces, back braces and walkers.

Accident Follow-up Treatment - We will pay this benefit when you receive follow-up treatment for an injury received as a result of a covered accident. We will pay for a maximum of 6 (six) treatments per covered accident. You must have received initial treatment within 72 hours of a covered accident and follow-up treatment must begin within 30 days of the covered accident or discharge from the hospital.

Physical Therapy - If you are injured in a covered accident and that injury requires physical therapy, we will pay this benefit for a maximum of six physical therapy sessions per covered accident. You must have received initial treatment for the injury within 72 hours of the covered accident and physical therapy must begin within 30 days of the covered accident or discharge from the hospital. Treatment must take place within 6 months after the accident. We will not pay this benefit for the same visit that the Accident Follow-up Treatment benefit is paid.

[**Wellness** - After premiums have been paid for 12 months and while your coverage is in force, we will pay the amount shown in the Benefit Schedule for annual physical exams, mammograms, pap smears, eye examinations, immunizations, flexible sigmoidoscopy, PAS tests, ultrasounds and blood screening. This benefit is payable once each 12-month period.]

HOSPITAL BENEFITS

Hospital Admission - We will pay this benefit when you are injured in a covered accident and the injury requires hospital confinement as a resident bed patient within 6 months of the date of the accident.

We will pay the Hospital Admission benefit amount shown in the Benefit Schedule. We will not pay this benefit for confinement to an observation unit, or for emergency room treatment or outpatient treatment.

We will pay this benefit once per calendar year.

Hospital Confinement - If you are injured in a covered accident and the injury causes you to be confined to a hospital within 90 days after the accident, we will pay the amount shown in the Benefit Schedule, subject to the elimination period if any, for each day that you are confined to a hospital. The length of time shown for hospital confinement in the Benefit Schedule is the maximum period for which you can collect benefits for hospital confinements resulting from the same injury.

This benefit is payable once per hospital confinement even if the confinement is caused by more than one accidental injury.

Hospital Intensive Care - If you are injured in a covered accident and the injury causes you to be confined to a hospital intensive care unit, we will pay this benefit in amount and for the number of days shown in the Benefit Schedule per covered accident. This benefit is payable in addition to the Hospital Confinement benefit above.

DISMEMBERMENT

Dismemberment - If you are injured in a covered accident and the injury causes loss of a hand, foot or sight within 90 days after the accident, we will pay the amount shown in the Benefit Schedule.

If you lose one hand, foot or the sight of one eye in a covered accident, we will pay the single loss benefit shown in the Benefit Schedule.

If you lose both hands, feet, the sight of both eyes or a combination of any two, we will pay the double loss benefit shown in the Benefit Schedule.

If you lose one or more finger or toe in a covered accident, we will pay the finger/toe benefit shown in the Benefit Schedule.

Dismemberment means:

1. **Loss of a hand:** the hand is cut off at or above the wrist joint; or
2. **Loss of a foot:** the foot is cut off at or above the ankle; or
3. **Loss of sight:** at least 80% of the vision in one eye is lost. Such loss of sight must be permanent and irrecoverable or
4. **Loss of a finger/toe:** the finger or toe is cut off at or above the joint where it is attached to the hand or foot.

If you do not qualify for the Dismemberment Benefit but lose at least one joint of a finger or toe, we will pay the Partial Dismemberment shown in the Benefit Schedule.

If this benefit is paid and you later die as a result of the same covered accident, we will pay the appropriate death benefit, less any amounts paid under this benefit.

ACCIDENTAL DEATH

Accidental Death - If you are injured in a covered accident and the injury causes you to die within 90 days after the accident, we will pay the Accidental Death Benefit shown in the Benefit Schedule. If the Accidental Death Benefit is paid, we will not pay the Accidental Common Carrier Death Benefit.

Accidental Common Carrier Death - If you are injured in a covered accident and the injury causes you to die within 90 days after the accident, we will pay the Accidental Common Carrier Death Benefit in the amount shown in the Benefit Schedule if the injury is the result of traveling as a fare-paying passenger on a common carrier, as defined below.

Common carrier means:

1. an airline carrier which is licensed by the United States Federal Aviation Administration and operated by a licensed pilot on a regular schedule between established airports;
2. a railroad train which is licensed and operated for passenger service only; or
3. a boat or ship which is licensed for passenger service and operated on a regular schedule between established ports.

If the Accidental Common Carrier Death Benefit is paid, we will not pay the Accidental Death Benefit.

SECTION V

LIMITATIONS AND EXCLUSIONS

PRE-EXISTING CONDITION LIMITATION

PRE-EXISTING CONDITION - Pre-existing Condition means within the 12-month period prior to the Effective Date of the Certificate and attached Riders, as applicable, those conditions for which:

1. Medical advice or treatment was received or recommended; or
2. The existence of symptoms which would cause an ordinarily prudent person to seek diagnosis, care, or treatment.

We will not pay benefits for any loss or injury which is caused by, contributed to by, or resulting from a pre-existing condition for 12 months after the Effective Date of the Certificate and attached riders, as applicable.

A claim for benefits for loss starting after 12 months from the Effective Date of a certificate and attached riders, as applicable, will not be reduced or denied on the grounds that it is caused by a pre-existing condition.

[This certificate may have been issued as a replacement for a certificate previously issued to you under the Plan. If so, then the pre-existing condition limitation provision of the Member's certificate applies only to any increase in benefits over the prior certificate. Any remaining period of pre-existing condition limitation of the prior certificate would continue to apply to the prior level of benefits.]

EXCLUSIONS

We will not pay benefits for loss caused by pre-existing conditions (except as stated in the previous provision).

We will not pay benefits for loss, injury, or death contributed to, caused by, or resulting from:

1. **Suicide** - committing or attempting to commit suicide, while sane or insane.
2. **Sickness** - having any disease or bodily/mental illness or degenerative process. We also will not pay benefits for any related medical/surgical treatment or diagnostic procedures for such illness.
3. **Self-Inflicted Injuries** - injuring or attempting to injure yourself intentionally.
4. **Racing** - Riding in or driving any motor-driven vehicle in a race, stunt show or speed test.
5. **Aviation** - operating, learning to operate, serving as a crew member on, or jumping or falling from any aircraft, including those which are not motor-driven.

6. **Intoxication** - being legally intoxicated, or being under the influence of any narcotic, unless such is taken under the direction of a physician.
7. **Illegal Acts** - participating or attempting to participate in an illegal activity, or working at an illegal job.
8. **Sports** - participating in any organized sport: professional or semi-professional.
9. **Driving** - driving any taxi or intrastate or interstate long-distance vehicle for wage, compensation or profit.
10. **Avocations** - mountaineering using ropes and/or other equipment, parachuting or hand-gliding.
11. **Cosmetic Surgery** - having cosmetic surgery or other elective procedures that are not medically necessary or having dental treatment except as a result of covered accident.
12. [an injury arising from any employment;]
13. [injury or sickness covered by Worker's Compensation;]

SECTION VI CLAIM PROVISIONS

Notice of Claim - Written notice of claim must be given within 60 days after the covered accident or as soon as reasonably possible. The notice must be sent to us at our Home Office in Columbia, South Carolina. The notice should include the name of the Insured and the Certificate number.

Claim Forms - When we receive notice of a claim, we will send you the forms for filing proof of loss. If these forms are not sent to you within 15 working days, you will meet the proof of loss requirements by giving us a written statement of the nature and extent of the loss within the time limit stated on the Proof of Loss Section.

Proof of Loss - You must give us written proof within 90 days after the loss for which you are seeking benefits. If it is not reasonably possible to give written proof in the time required, we shall not reduce or deny the claim for this reason if the proof is filed as soon as reasonably possible. In any event, the proof required must be given no later than one year from the covered accident unless you were legally incapacitated during that time.

Time of Payment of Claims: After we receive written proof of loss and process your claim, we will pay monthly all benefits then due for the claims providing a periodic payment. Benefits for any other loss covered by this Plan will be paid as soon as we receive proper written proof.

Payment Of Claims - Benefits will be paid to you. All of the benefits due will be paid to you unless you assign them elsewhere. Any benefits unpaid at the time of your death will be paid in the following order:

1. to any approved assignee;
2. your beneficiary;
3. your surviving spouse;
4. your estate.

Changing Your Beneficiary - You can ask us to change your beneficiary at any time. The request must be in writing and the change must be approved by us. If approved, it will go into effect the day you sign the request. The change will not have any bearing on payments made before we approved the request.

Unpaid Premium - When a claim is paid, any premium due and unpaid may be deducted from the claim payment.

Physical Examination And Autopsy - At our expense, we can require you to have a physical examination as often as reasonably necessary while a claim is pending, or an autopsy in the case of death, where allowed by law. This will be done at our expense.

Legal Action - You cannot take legal action against us for benefits under this Plan:

1. within 60 days after you have sent us written proof of loss; or
2. more than 6 years from the time written proof is required to be given.

SECTION VII GENERAL PROVISIONS

Entire Contract - The entire contract consists of:

1. the Plan;
2. the Application of the Policyholder; and
3. if applicable, your Application(s).

All statements made in such Application(s) shall, in the absence of fraud, be deemed representations and not warranties. No statement will be used in defense of a claim under this Plan unless:

- a. the statement is in writing signed by the Policyholder or by you; and
- b. a copy of that statement is given to the Policyholder or to you or to your beneficiary.

Contract Changes - No change in this Plan is valid unless approved by our Home Office and unless such approval is endorsed by an officer and attached to this Plan. No agent has the authority to change this Plan or to waive any of its provisions.

Misstatements of Age - If you incorrectly stated your age or the ages of your dependents, if any, in the Application, the benefits will be such as the premium paid would have purchased at the correct age. If, based on the correct ages, we would not have issued your Certificate or insured certain dependents under this Certificate, then our responsibility will be to refund the excess premium paid, if any.

Time Limit On Certain Defenses - After this Plan has been in force for two years as respects a Member, only fraudulent misstatements in the application of that Member may be used to void his or her coverage or to deny any claim for loss incurred or disability that starts after the two-year period.

Clerical Error- Clerical error by the Policyholder will not end coverage or continue terminated coverage. In the event of such clerical error, a premium adjustment will be made.

Individual Certificate - Continental American will give the Policyholder a Certificate for each Member. The Certificate will set forth:

1. the coverage;
2. to whom benefits will be paid; and
3. the rights and privileges under the Plan.

Data Required - The Policyholder will furnish all information and proofs which Continental American may reasonably require with regard to the Plan.

Conformity With State Statutes - Any provision of this Plan which, on the Effective Date, is in conflict with the laws of the state in which the Plan was issued, will be amended to conform to the minimum requirements of those laws.

If we at Continental American Insurance Company fail to provide you with reasonable and adequate service, you should feel free to contact:

Arkansas Insurance Department
1200 West Third Street
Little Rock, AR 72201-1904
(501) 371-2640 or 1 (800) 852-5494

SECTION VIII**BENEFIT SCHEDULE****FRACTURES**

Hip/thigh	\$4,500
Vertebrae	4,050
Pelvis	3,600
Skull (depressed)	3,375
Skull (simple)	1,575
Leg	2,700
Foot/ankle/knee cap	2,250
Forearm/hand	2,250
Lower jaw	1,800
Shoulder blade/collar bone	1,800
Upper arm/upper jaw	1,575
Facial bones (except teeth)	1,350
Vertebral processes	900
Coccyx/rib/finger/toe	360

DISLOCATIONS

Hip	3,600
Knee (not knee cap)	2,600
Shoulder	2,000
Foot/ankle	1,600
Hand	1,400
Lower jaw	1,200
Wrist	1,000
Elbow	800
Finger/toe	320

LACERATIONS

Over 6"	400
2" to 6"	200
Under 2"	50

Lacerations not requiring stitches	25
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CONCUSSIONS	200
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COMA	10,000
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EMERGENCY DENTAL WORK

Repair with crown	150
Extraction	50

INJURIES REQUIRING SURGERY**Eye injuries**

Requiring surgical repair	250
Removal of foreign body	50

Tendons/ligaments

Single	400
Multiple	600

Ruptured disc

Date of injury occurs during
first certificate year 100

Date of injury occurs after
first certificate year 400

Torn knee cartilage

Date of injury occurs during
first certificate year 100

Date of injury occurs after
first certificate year 400

Internal Injuries 1,000

Exploratory Surgery (without repair) 250

PARALYSIS

Four limbs (quadriplegia) 10,000

Two limbs (paraplegia) 5,000

BURNS**Second Degree**

Less than 10% 100

At least 10% but less than 25% 200

At least 25% but less than 35% 500

35% or more 1,000

Third Degree

Less than 10% 500

At least 10% but less than 25% 3,000

At least 25% but less than 35% 7,000

35% or more 10,000

SERVICES

Blood/plasma 100

Ambulance 100

Air ambulance 500

Transportation

Train or Plane 300

Bus 150

Family Member Lodging 100/per night

Maximum Benefit - 30 days

Medical fees

Maximum per accident 125

Prosthesis 500

Appliances	100
Accident Follow-up Treatment	25
Maximum of 6 treatments per covered accident	
Physical Therapy	25
Maximum of 6 treatments per covered accident	
Wellness	60
Once per 12-month period	
HOSPITAL ADMISSION	\$1,000
Payable once per calendar year	
HOSPITAL CONFINEMENT	\$200 /day
Maximum Benefit - 365 days	
0 Day elimination Period	
HOSPITAL INTENSIVE CARE	\$400 /day
Maximum Benefit - 30 days	
0 Day elimination Period	
ACCIDENTAL DISMEMBERMENT	
Loss of hand, foot or sight	
Single loss	6,250
Double loss	25,000
Loss of one or more finger or toe	1,250
Partial Amputation of finger or toe	100
ACCIDENTAL DEATH	50,000
ACCIDENTAL COMMON CARRIER DEATH	100,000

SECTION IX

OCCUPATIONAL CLASSIFICATIONS AND SCHEDULE OF PREMIUMS

EXPLANATION OF OCCUPATION CLASSES (Member)

CLASS AAA

Managers, Supervisors and Clerical Members

SCHEDULE OF PREMIUMS

ACCIDENT (Member)

The tables below show the premiums applicable to the Plan on the Effective Date.

SCHEDULE OF PREMIUMS

DEPENDENT ACCIDENT RIDER

The table(s) below show the premiums applicable to the Plan on the Effective Date.

MONTHLY PREMIUMS

ALL RIDER BENEFITS

Spouse Only - Ages 18-69
Children Only
Family

SECTION X INCORPORATION OF RIDER PROVISIONS

The attached listed Certificate Riders are made a part of this Policy.

INCORPORATED RIDERS

RIDER NAME	FORM NUMBER
Dependent Accident Rider	CAI7722AR-NGAA



CONTINENTAL AMERICAN INSURANCE COMPANY

2801 Devine Street, Columbia, South Carolina 29205
800-433-3036

CERTIFICATE OF INSURANCE FOR ACCIDENTAL INJURY POLICY

THIS IS AN ACCIDENT ONLY COVERAGE
AND DOES NOT PAY BENEFITS FOR LOSS FROM SICKNESS

(COVERAGE FOR SICKNESS MAY BE INCLUDED IN A SEPARATE RIDER,
REQUIRING ADDITIONAL PREMIUMS.)

PLEASE READ YOUR CERTIFICATE CAREFULLY

CERTIFICATE INDEX

Definitions	Section I
Premiums and Individual Terminations	Section II
Benefits	Section III
Limitations and Exclusions	Section IV
Claim Provisions	Section V
General Provisions	Section VI
Benefit Schedule	Section VII
Certificate Schedule	Section VIII

We certify that you are insured under the Accidental Injury Policy (herein called the Plan) issued to your Policyholder, the Policyholder, subject to the definitions, exclusions and other provisions of the Plan against loss resulting from accidental injury.

Certain provisions of the Plan are summarized in this Certificate. All provisions of the Plan, whether contained in your Certificate or not, apply to the insurance referred to by the Certificate.

The Effective Date of your Certificate is as shown in the Certificate Schedule if you are on that date actively at work for the Policyholder. If not, this Certificate will become effective on the next date you are actively at work as an eligible Member. This Certificate will remain in effect for the period for which the premium has been paid. This Certificate may be continued for further periods as stated in the Plan.

This Certificate is issued in consideration of the payment in advance of the required premium and of your statements and representations in the Application. A copy of your Application is attached and made a part of this Certificate.

This Certificate, on its Effective Date, automatically replaces any Certificate or Certificates previously issued to you under the Plan.

ANY CERTIFICATES ISSUED IN THE STATE OF ARKANSAS ARE GOVERNED BY THE STATE OF ARKANSAS.

SECTION I DEFINITIONS

When the terms below are used in this Certificate, the following definitions will apply:

We, Us, Our - means Continental American.

You and Your - the Insured named in the Certificate Schedule.

Accidental Injury or Injuries - means bodily injury or injuries caused solely by or as the result of a covered accident.

Covered Accident - means an accident which occurs on or after your Effective Date, while this Certificate is in force and which is not specifically excluded.

Doctor or Physician - means a person, other than yourself or a member of your immediate family, who:

1. is licensed by the state to practice a healing art;
2. performs services which are allowed by his or her license; and
3. performs services for which benefits are provided by this Certificate.

Under the Fractures and Dislocations Benefit, a doctor means a person, other than yourself or a member of your immediate family, who is licensed by the state to practice medicine or osteopathy.

Hospital - means a place which:

1. is legally licensed and operated as a hospital;
2. provides overnight care of injured and sick people;
3. is supervised by a doctor;
4. has full-time nurses supervised by a registered nurse;
5. has on-site or pre-arranged use of X-ray equipment, laboratory and surgical facilities; and
6. maintains permanent medical history records.

A hospital is not:

1. a nursing home;
2. an extended care facility;
3. a convalescent home;
4. a rest home or a home for the aged;
5. a place for alcoholics or drug addicts; or
6. a mental institution.

Hospital Intensive Care Unit - means a specifically designed facility of the hospital that provides the highest level of medical care which is restricted to those patients who are critically ill or injured. Such facilities must be separate and apart from the surgical recovery room and from rooms, beds, and wards customarily used for patient confinement. They must be permanently equipped with special life-saving equipment for the care of the critically ill or injured. They must be under constant and continuous observation by nursing staffs assigned on a full-time basis, exclusively to the Intensive Care Unit.

Immediate Family - means your spouse, son, daughter, mother, father, sister or brother.

Your Occupation - means the occupation in which you are regularly engaged at the time you become disabled.

Actively at Work - to be considered actively at work, you must perform for a full normal workday the regular duties of your employment at the regular place of business of the group policyholder or at a location to which you may be required to travel to perform the regular duties of your employment.

Full-Time Work - means spending at least [30] hours per week performing your occupational duties.

Treatment or Medical Treatment - means consultation, care or services provided by a physician including diagnostic measures and taking prescribed drugs and medicines.

Elimination Period - means the number of days of hospital confinement that must elapse before benefits become payable. The number of days is shown in the Plan Schedule. Benefits are not payable, nor do they accrue during an Elimination Period.

ON-JOB BENEFITS - On-job benefits means the benefits we will pay if a covered accident occurs while you are working at any job for pay or benefits..]

[OFF-JOB BENEFITS - Off-job benefits means the benefits we will pay if a covered accident occurs while you are not working at any job for pay or benefits..]

SECTION II PREMIUMS AND INDIVIDUAL TERMINATIONS

PREMIUMS

Premiums are not Guaranteed: The initial premium shown in the Certificate Schedule is the premium covering the period from the Effective Date to the next renewal date of this Certificate. Renewal premiums will be in accordance with the schedule of premium rates in effect at the time of renewals as set forth in the Plan.

Certificate Term: The first term of this certificate starts on the Effective Date in the Certificate Schedule. It ends on the first renewal date also shown. Later terms will be the periods for which renewal premiums are paid when due. All terms will begin and end at 12:01 A.M., Standard Time, at the Policyholder's address. The renewal premium for each term will be due on the day preceding term end, subject to the Grace Period.

Grace Period: The Plan has a 31 day Grace Period. This means that if a renewal premium is not paid on or before the date it is due, it may be paid during the next 31 days. During the Grace Period, your coverage under the Plan will stay in force.

INDIVIDUAL TERMINATIONS

A Member's insurance will terminate on the earliest of:

1. the date the Plan is terminated;
2. on the 31st day after the premium due date if the required premium has not been paid;
3. on the date you cease to meet the definition of a Member as defined in the Plan;
4. on the premium due date which falls on or first follows your [70th] birthday; or
5. on the date he or she is no longer a member of the class eligible.

Termination of the insurance on any Member will be without prejudice to his or her rights as regarding any claim arising prior thereto.

[PORTABILITY PRIVILEGE]

When coverage would otherwise terminate under the Plan because you end membership with the Policyholder, you may elect to continue your coverage. The coverage you may continue is that which you had on the date your membership terminated, including dependent coverage then in effect.

1. Coverage may not be continued for any of the following reasons:
 - a. the insured failed to pay any required premium;
 - b. [the insured having attained age 70;
 - c.]the Group Policy terminates.
2. To keep your insurance in force the insured must:
 - a. make written application to the Company within 31 days after the date insurance would otherwise terminate; and
 - b. pay the required premium to the Company no later than 31 days after the date insurance would otherwise terminate.
3. Insurance will cease [on the earliest of these dates:
 - a.]the date the you fail to pay any required premium[;
 - b. the date the Group Policy is terminated].

[In the event the Policyholder's cancels coverage or the Plan is closed for new enrollments, the Policy will remain in effect for the benefit of those who have continued their coverage under the portability provision prior to the policy cancellation date.]

[Portability will remain available during the notification period prior to the cancellation date of the coverage.]

If you qualify for this Portability Privilege as described, then the same benefits, Plan provisions, and premium rate as shown in the Group Policy/certificate as previously issued will apply.]

SECTION III BENEFIT PROVISIONS

The benefit amounts payable under this Section are shown in the Benefit Schedule. Coverage terminates on the premium due date which falls on or first follows your [70th] birthday; at that time all benefits cease regardless of the maximum benefit period.

FRACTURES

Fractures - A fracture is a break in a bone which can be seen by x-ray you fracture a bone in a covered accident, and it is diagnosed and treated by a physician within 90 days after the accident, we will pay the appropriate amount shown in the Benefit Schedule.

If the fracture requires open reduction, we will pay [150%] of the amount shown in the Benefit Schedule.

Multiple Fractures - If more than one fracture requiring either open or closed reduction occurs in any one covered accident, we will pay the amounts shown in the Benefit Schedule for each fracture. However, we will pay no more than [150%] of the benefit amount for the bone fractured which has the higher dollar value.

Chip Fracture - A chip fracture is a piece of bone which is completely broken off near a joint. If a physician diagnoses the fracture as a chip fracture, we will pay 10% of the amount shown in the Benefit Schedule for the

affected bone.

DISLOCATIONS

Dislocation - A dislocation is a completely separated joint. If you dislocate a joint in a covered accident, and it is diagnosed and treated by a physician within 90 days after the accident, we will pay the amount shown in the Benefit Schedule.

If the dislocation requires open reduction, we will pay [150%] of the amount shown in the Benefit Schedule.

We will pay benefits only for the first dislocation of a joint. We will not pay for recurring dislocations of the same joint. If you dislocated a joint before the Effective Date of this Certificate and you dislocate the same joint again, it will not be covered by this Certificate.

Multiple Dislocations - If more than one dislocation requiring either open or closed reduction occurs in any one covered accident, we will pay the amounts shown in the Benefit Schedule for each dislocation. However, we will pay no more than [150%] of the benefit amount for the joint dislocated which has the higher dollar value.

Partial Dislocation - A partial dislocation is one in which the joint is not completely separated. If a physician diagnoses and treats the accidental injury as a partial dislocation, we will pay 25% of the amount shown in the Benefit Schedule for the affected joint.

Fracture and Dislocation - If you fracture a bone and dislocate a joint in the same accident, we will pay for both. However, we will pay no more than [150%] of the benefit amount for the bone fractured or joint dislocated which has the higher dollar value.

LACERATIONS

Lacerations - If you receive laceration in a covered accident and the laceration is repaired with stitches by a physician within 72 hours after the accident, we will pay the appropriate amount shown in the Benefit Schedule. The amount paid will be based on the length of the laceration.

If you receive a laceration in a covered accident and the laceration does not require stitches but is treated by a physician within 72 after the accident, we will pay the appropriate amount shown in the Benefit Schedule.

If you suffer multiple lacerations in a covered accident and the lacerations are repaired with stitches by a physician within 72 hours after the accident, we will pay this benefit based on the largest single laceration which requires stitches, as shown in the Benefit Schedule.

CONCUSSIONS

Concussions - If you are injured in a covered accident and the injury causes you to have a concussion, we will pay this benefit in the amount shown in the Benefit Schedule. Concussion means a head injury resulting in electroencephalogram abnormality.

COMA

Coma - If you suffer a coma lasting 30 days or more as the result of a covered accident, we will pay this benefit as shown in the Benefit Schedule. Coma means a state of profound unconsciousness caused by a covered accident.

EMERGENCY DENTAL WORK

Emergency Dental Work - We will pay this benefit if you receive an injury to sound natural teeth as the result of a covered accident. We will pay for repair with a crown or for extraction as shown in the Benefit Schedule.

INJURIES REQUIRING SURGERY

Eye Injuries - If you injure an eye in a covered accident and surgical repair is performed by a physician within 90 days after the accident, we will pay the amount shown in the Benefit Schedule. If a physician removes a foreign body from your eye, with or without anesthesia, we will pay the amount shown in the Benefit Schedule.

Tendons and Ligaments - If you tear, sever or rupture a tendon or ligament in a covered accident, receive treatment from a physician within 60 days, and have surgical repair within 90 days after the accident, we will pay the appropriate amount shown in the Benefit Schedule. The amount paid will be based on the number (single or multiple) of tendons or ligaments repaired.

If you are in a covered accident and fracture a bone or dislocate a joint, and tear, sever or rupture a tendon or ligament, we will pay only one benefit. We will pay the largest of the fracture benefit, the dislocation benefit, or the tendon and ligament benefit.

Ruptured Disc - If you rupture a disc in your spine in a covered accident, receive treatment from a physician within 60 days after the accident and have surgical repair by a physician within one year after the accident, we will pay the appropriate amount shown in the Benefit Schedule. The amount paid will be based on when the accident occurred.

Torn Knee Cartilage - We will pay this benefit in the amount shown in the Benefit Schedule if you are injured in a covered accident and:

1. Accidental injuries result in torn knee cartilage;
2. Such injury requires treatment by a physician within 60 days from the date of the covered accident; and
3. Such injury requires repair by surgical operation within one year from the date of the covered accident.

The amount paid will be based on when the accident occurred.

Internal Injuries - We will pay this benefit as shown in the Benefits Schedule if you have internal injuries as the result of a covered accident which results in open abdominal or thoracic surgery.

Exploratory Surgery - If as the result of an injury in a covered accident you have exploratory surgery (without repair), we will pay the amount shown on the Benefit Schedule.

PARALYSIS

Paralysis - Paralysis means the permanent loss of movement of two or more limbs. If you are injured in a covered accident and the injury causes paralysis which lasts more than 90 days and is diagnosed by a physician within 90 days after the accident, we will pay the appropriate amount shown in the Benefit Schedule. The amount paid will be based on the number of limbs paralyzed.

If this benefit is paid and you later die as a result of the same covered accident, we will pay the appropriate Death Benefit, less any amounts paid under the Paralysis Benefit.

BURNS

Burns - If you are burned in a covered accident and are treated by a physician within 72 hours after the accident, we will pay the burn benefit shown in the Benefit Schedule according to the percentage of body surface burned.

First degree burns are not covered.

SERVICES

Blood/Plasma - If you are injured in a covered accident and receive blood or plasma as a result of the injury within 90 days after the accident, we will pay the amount shown in the Benefit Schedule.

Ambulance - If you are injured in a covered accident and require transportation to a hospital by a professional ambulance service (including "air ambulance" service) within 90 days after the accident, we will pay the appropriate amount shown in the Benefit Schedule.

Transportation - We will pay this benefit if you are injured in a covered accident and the injury causes the attending physician to recommend hospital treatment or diagnostic study which is not available in your city of residence. We will pay the applicable amount shown in the Benefit Schedule for transportation by train, plane, or bus for each covered accident. Use of such transportation must begin within 90 days from the date of the covered accident. The distance to the location of the hospital treatment or diagnostic study must be greater than 50 miles from your residence.

Family Member Lodging - We will pay this benefit in amount and for the number of days shown in the Benefit Schedule, for each night's lodging in a motel/hotel room for an adult member of your immediate family when you are confined to a hospital for treatment of an injury due to a covered accident. The Hospital and motel/hotel must be more than 100 miles from your residence. The treatment must be prescribed by your local physician.

Medical Fees - If you are injured in a covered accident and receive treatment within one year after the accident, we will pay the amount shown in the Benefit Schedule for:

1. emergency room services and supplies;
2. X-rays;
3. physician services.

We will pay for these services up to the total amount shown for medical fees in the Benefit Schedule, for each covered accident.

This benefit is payable if you received initial treatment within 60 days after the accident.

Prosthesis - We will pay the amount shown in the Benefit Schedule for each prosthetic device you use as the result of an injury received in a covered accident. Hearing aids, wigs, or dental aids including but not limited to false teeth are not covered.

Appliances - If you are advised by a physician to use a medical appliance as an aid in personal locomotion as the result of an injury received in a covered accident, we will pay the amount shown in the Benefit Schedule. Medical appliance means crutches, wheelchairs, leg braces, back braces and walkers.

Accident Follow-up Treatment - We will pay this benefit when you receive follow-up treatment for an injury received as a result of a covered accident. We will pay for a maximum of 6 (six) treatments per covered accident. You must have received initial treatment within 72 hours of a covered accident and follow-up treatment must begin within 30 days of the covered accident or discharge from the hospital.

Physical Therapy - If you are injured in a covered accident and that injury requires physical therapy, we will pay this benefit for a maximum of six physical therapy sessions per covered accident. You must have received initial treatment for the injury within 72 hours of the covered accident and physical therapy must begin within 30 days of the covered accident or discharge from the hospital. Treatment must begin within 6 months of the accident. We will not pay this benefit for the same visit that the Accident Follow-up Treatment benefit is paid.

[**Wellness** - After premiums have been paid for 12 months and while your coverage is in force, we will pay the amount shown in the Benefit Schedule for annual physical exams, mammograms, pap smears, eye examinations, immunizations, flexible sigmoidoscopy, PAS tests, ultrasounds and blood screening. This benefit is payable once each 12-month period.]

HOSPITAL BENEFITS

Hospital Admission - We will pay this benefit when you are injured in a covered accident and the injury requires hospital confinement as a resident bed patient within 6 months of the date of the accident.

We will pay the Hospital Admission Benefit amount shown in the Benefit Schedule. We will not pay this benefit for confinement to an observation unit, or for emergency room treatment or outpatient treatment.

We will pay this benefit once per calendar year.

Hospital Confinement - If you are injured in a covered accident and the injury causes you to be confined to a hospital within 90 days after the accident, we will pay the amount shown in the Benefit Schedule, subject to the elimination period if any, for each day that you are confined to a hospital. The length of time shown for hospital confinement in the Benefit Schedule is the maximum period for which you can collect benefits for hospital confinements resulting from the same injury.

This benefit is payable once per hospital confinement even if the confinement is caused by more than one accidental injury.

Hospital Intensive Care - If you are injured in a covered accident and the injury causes you to be confined to a hospital intensive care unit, we will pay this benefit in amount and for the number of days shown in the Benefit Schedule per covered accident. This benefit is payable in addition to the Hospital Confinement Benefit above.

DISMEMBERMENT

Dismemberment - If you are injured in a covered accident and the injury causes loss of a hand, foot or sight within 90 days after the accident, we will pay the amount shown in the Benefit Schedule.

If you lose one hand, foot or the sight of one eye in a covered accident, we will pay the single loss benefit shown in the Benefit Schedule.

If you lose both hands, feet, the sight of both eyes or a combination of any two, we will pay the double loss benefit shown in the Benefit Schedule.

If you lose one or more finger or toe in a covered accident, we will pay the finger/toe benefit shown in the Benefit Schedule.

Dismemberment means:

1. **Loss of a hand:** the hand is cut off at or above the wrist joint; or
2. **Loss of a foot:** the foot is cut off at or above the ankle; or
3. **Loss of sight:** at least 80% of the vision in one eye is lost. Such loss of sight must be permanent and irrecoverable or
4. **Loss of a finger/toe:** the finger or toe is cut off at or above the joint where it is attached to the hand or foot.

If you do not qualify for the Dismemberment Benefit but lose at least one joint of a finger or toe, we will pay the

Partial Dismemberment shown in the Benefit Schedule.

If this benefit is paid and you later die as a result of the same covered accident, we will pay the appropriate death benefit, less any amounts paid under this benefit.

ACCIDENTAL DEATH

Accidental Death - If you are injured in a covered accident and the injury causes you to die within 90 days after the accident, we will pay the Accidental Death Benefit shown in the Benefit Schedule. If the Accidental Death Benefit is paid, we will not pay the Accidental Common Carrier Death Benefit.

Accidental Common Carrier Death - If you are injured in a covered accident and the injury causes you to die within 90 days after the accident, we will pay the Accidental Common Carrier Death Benefit in the amount shown in the Benefit Schedule if the injury is the result of traveling as a fare-paying passenger on a common carrier, as defined below.

Common carrier means:

1. an airline carrier which is licensed by the United States Federal Aviation Administration and operated by a licensed pilot on a regular schedule between established airports;
2. a railroad train which is licensed and operated for passenger service only; or
3. a boat or ship which is licensed for passenger service and operated on a regular schedule between established ports.

If the Accidental Common Carrier Death Benefit is paid, we will not pay the Accidental Death Benefit.

SECTION IV

LIMITATIONS AND EXCLUSIONS

PRE-EXISTING CONDITION LIMITATION

PRE-EXISTING CONDITION - Pre-existing Condition means within the 12-month period prior to the Effective Date of this Certificate and attached Riders, as applicable, those conditions for which:

1. Medical advice or treatment was received or recommended; or
2. The existence of symptoms which would cause an ordinarily prudent person to seek diagnosis, care, or treatment.

We will not pay benefits for any loss or injury which is caused by, contributed to by, or resulting from a pre-existing condition for 12 months after the Effective Date of your Certificate and attached riders, as applicable.

A claim for benefits for loss starting after 12 months from the Effective Date of your Certificate and attached riders, as applicable, will not be reduced or denied on the grounds that it is caused by a pre-existing condition.

This certificate may have been issued as a replacement for a Certificate previously issued to you under the Plan. If so, then the pre-existing condition limitation provision of this Certificate applies only to any increase in benefits over the prior Certificate. Any remaining period of pre-existing condition limitation of the prior Certificate would continue to apply to the prior level of benefits.

EXCLUSIONS

We will not pay benefits for loss caused by pre-existing conditions (except as stated in the previous provision).

We will not pay benefits for loss, injury, or death contributed to, caused by, or resulting from:

1. **Suicide** - committing or attempting to commit suicide, while sane or insane.
2. **Sickness** - having any disease or bodily/mental illness or degenerative process. We also will not pay benefits for any related medical/surgical treatment or diagnostic procedures for such illness.
3. **Self-Inflicted Injuries** - injuring or attempting to injure yourself intentionally.
4. **Racing** - Riding in or driving any motor-driven vehicle in a race, stunt show or speed test.
5. **Aviation** - operating, learning to operate, serving as a crew member on, or jumping or falling from any aircraft, including those which are not motor-driven.
6. **Intoxication** - being legally intoxicated, or being under the influence of any narcotic, unless such is taken under the direction of a physician.
7. **Illegal Acts** - participating or attempting to participate in an illegal activity, or working at an illegal job.
8. **Sports** - participating in any organized sport: professional or semi-professional.
9. **Driving** - driving any taxi or intrastate or interstate long-distance vehicle for wage, compensation or profit.
10. **Avocations** - mountaineering using ropes and/or other equipment, parachuting or hand-gliding.
11. **Cosmetic Surgery** - having cosmetic surgery or other elective procedures that are not medically necessary or having dental treatment except as a result of covered accident.
12. [an injury arising from any employment;]
13. [injury or sickness covered by Worker's Compensation;]

SECTION V CLAIM PROVISIONS

Notice of Claim - Written notice of claim must be given within 60 days after the covered accident or as soon as reasonably possible. The notice must be sent to us at our Home Office in Columbia, South Carolina. The notice should include the name of the insured and the Certificate number.

Claim Forms - When we receive notice of a claim, we will send you the forms for filing proof of loss. If these forms are not sent to you within 15 working days, you will meet the proof of loss requirements by giving us a written statement of the nature and extent of the loss within the time limit stated on the Proof of Loss Section.

Proof of Loss - You must give us written proof within 90 days after the loss for which you are seeking benefits. If it is not reasonably possible to give written proof in the time required, we shall not reduce or deny the claim for this reason if the proof is filed as soon as reasonably possible. In any event, the proof required must be given no later than one year from the covered accident unless you were legally incapacitated during that time.

Time of Payment of Claims: After we receive written proof of loss and process your claim, we will pay monthly all benefits then due for the claims providing a periodic payment. Benefits for any other loss covered by this Plan will be paid as soon as we receive proper written proof.

Payment Of Claims - Benefits will be paid to you. All of the benefits due will be paid to you unless you assign them elsewhere. Any benefits unpaid at the time of your death will be paid in the following order:

1. to any approved assignee;
2. your beneficiary;
3. your surviving spouse;
4. your estate.

Changing Your Beneficiary - You can ask us to change your beneficiary at any time. The request must be in writing and the change must be approved by us. If approved, it will go into effect the day you sign the request. The change will not have any bearing on payments made before we approved the request.

Unpaid Premium - When a claim is paid, any premium due and unpaid may be deducted from the claim payment.

Physical Examination And Autopsy - At our expense, we can require you to have a physical examination as often as reasonably necessary while a claim is pending, or an autopsy in the case of death, where allowed by law. This will be done at our expense.

Legal Action - You cannot take legal action against us for benefits under this Plan:

1. within 60 days after you have sent us written proof of loss; or
2. more than 6 years from the time written proof is required to be given.

SECTION VI GENERAL PROVISIONS

Entire Contract - The entire contract consists of:

1. the Plan;
2. the application of the policyholder; and
3. if applicable, your application(s).

All statements made in such application(s) shall, in the absence of fraud, be deemed representations and not warranties. No statement will be used in defense of a claim under this Plan unless:

- a. the statement is in writing signed by the policyholder or by you; and
- b. a copy of that statement is given to the policyholder or to you or to your beneficiary.

Contract Changes - No change in the Plan is valid unless approved by our Home Office and unless such approval is endorsed by an officer and attached to this Plan. No agent has the authority to change this Plan or to waive any of its provisions.

Misstatements of Age - If you incorrectly stated your age or the ages of your dependents, if any, in the application, the benefits will be such as the premium paid would have purchased at the correct age. If, based on the correct ages, we would not have issued your certificate or insured certain dependents under this certificate, then our responsibility will be to refund the excess premium paid, if any.

Time Limit On Certain Defenses - After the Plan has been in force for two years as respects a Member, only fraudulent misstatements in the application of that Member may be used to void his or her coverage or to deny any claim for loss incurred or disability that starts after the two year period.

Clerical Error- Clerical error by the policyholder will not end coverage or continue terminated coverage. In the event of such clerical error, a premium adjustment will be made.

Conformity With State Statutes - Any provision of the Plan which, on the Effective Date, is in conflict with the laws of the state in which the Plan was issued, will be amended to conform to the minimum requirements of those laws.

If we at Continental American Insurance Company fail to provide you with reasonable and adequate service, you should feel free to contact:

Arkansas Insurance Department
1200 West Third Street
Little Rock, AR 72201-1904
(501) 371-2640 or 1 (800) 852-5494

SECTION VII**BENEFIT SCHEDULE****FRACTURES**

Hip/thigh	\$4,500
Vertebrae	4,050
Pelvis	3,600
Skull (depressed)	3,375
Skull (simple)	1,575
Leg	2,700
Foot/ankle/knee cap	2,250
Forearm/hand	2,250
Lower jaw	1,800
Shoulder blade/collar bone	1,800
Upper arm/upper jaw	1,575
Facial bones (except teeth)	1,350
Vertebral processes	900
Coccyx/rib/finger/toe	360

DISLOCATIONS

Hip	3,600
Knee (not knee cap)	2,600
Shoulder	2,000
Foot/ankle	1,600
Hand	1,400
Lower jaw	1,200
Wrist	1,000
Elbow	800
Finger/toe	320

LACERATIONS

Over 6"	400
2" to 6"	200
Under 2"	50

Lacerations not requiring stitches	25
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CONCUSSIONS	200
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COMA	10,000
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EMERGENCY DENTAL WORK

Repair with crown	150
Extraction	50

INJURIES REQUIRING SURGERY

Eye injuries	
Requiring surgical repair	250

Removal of foreign body	50
Tendons/ligaments	
Single	400
Multiple	600
Ruptured disc	
Date of injury occurs during first certificate year	100
Date of injury occurs after first certificate year	400
Torn knee cartilage	
Date of injury occurs during first certificate year	100
Date of injury occurs after first certificate year	400
Internal Injuries	1,000
Exploratory Surgery (without repair)	250
PARALYSIS	
Four limbs (quadriplegia)	10,000
Two limbs (paraplegia)	5,000
BURNS	
Second Degree	
Less than 10%	100
At least 10% but less than 25%	200
At least 25% but less than 35%	500
35% or more	1,000
Third Degree	
Less than 10%	500
At least 10% but less than 25%	3,000
At least 25% but less than 35%	7,000
35% or more	10,000
SERVICES	
Blood/plasma	100
Ambulance	100
Air ambulance	500
Transportation	
Train or Plane	300
Bus	150
Family Member Lodging	100/per night

Maximum Benefit - 30 days

Medical fees

Maximum per accident 125

Prosthesis 500

Appliances 100

Accident Follow-up Treatment 25

Maximum of 6 treatments per covered accident

Physical Therapy 25

Maximum of 6 treatments per covered accident

Wellness 60

Once per 12-month period

HOSPITAL ADMISSION \$1,000

Payable once per calendar year

HOSPITAL CONFINEMENT \$200 /day

Maximum Benefit - 365 days

0 Day elimination Period

HOSPITAL INTENSIVE CARE \$400 /day

Maximum Benefit - 30 days

0 Day elimination Period

ACCIDENTAL DISMEMBERMENT

Loss of hand, foot or sight

Single loss 6,250

Double loss 25,000

Loss of one or more finger or toe 1,250

Partial Amputation of finger or toe 100

ACCIDENTAL DEATH 50,000

ACCIDENTAL COMMON CARRIER DEATH 100,000

SECTION VIII**CERTIFICATE SCHEDULE**

Insured - [John A. Doe]
Effective Date - [June 1, 2003]
***Initial Premium -** [\$109.75 Monthly]

Group Policy Number - [895]
Certificate Number - [51491]
First Renewal Date - [July 1, 2003]

HOSPITAL ADMISSION \$1,000
Payable once per calendar year

HOSPITAL CONFINEMENT \$200/day
Maximum Benefit - 365 days
0 Day elimination Period

HOSPITAL INTENSIVE CARE \$400/day
Maximum Benefit - 30 days
0 Day elimination Period

Coverage Includes Other Benefits Shown In The Benefit Schedule

*Initial premium includes the premium for any riders purchased at the same time as the coverage provided by your certificate.

This certificate terminates on the premium due date which falls on or first follows your 70th birthday.

APPLICATION FOR GROUP ACCIDENT ONLY INSURANCE

Application is hereby made to:



CONTINENTAL AMERICAN INSURANCE COMPANY

2801 Devine Street, Columbia, South Carolina 29205
800-433-3036

By _____
Policyholder

of _____
(City, State)

for a Plan of Group Accident Only Insurance, and representations are made as follows:

1. Class of Members Eligible for Coverage:

☐ Regular full-time Members under age 70

☐ Regular full-time Members under age 70 except _____

☐ Other: _____

Full-time Member is one who works ____ hours or more per week. A Member must be Actively at Work on the date he applies and on the date his Group Accident Only Insurance is to become effective. A Member must have completed _____ months of continuous service before being eligible.

2. The minimum number of enrolled Members necessary to keep the Group Policy in force is _____

3. Effective Date:

The requested effective date of the Group Policy is _____

4. Optional Features:

5. Will this Group Accident Only Policy replace any existing Group Accident Only Policy?

Yes ☐

No ☐

6. General Agreement:

The applicant agrees to transmit the total premiums under the group policy to Continental American Insurance Company at its Home Office when due. No agent or other person except an officer can make or change any contract or agreement on behalf of Continental American Insurance Company.

By _____	
Title _____	Date _____



ENROLLMENT FORM

Please Mail: Post Office Box 427
Columbia, South Carolina 29202
(800) 433-3036

FOR HOME OFFICE USE ONLY		
PLAN	PLAN CODE	ID NUMBER
Accident		
Endorsement:		
EFFECTIVE DATE:		

Member Name/Owner (First, MI, Last)		S.S.N./ ID Number		Gender	Date of Birth
Street Address		City		State	Zip
Employer		Job Class	Location		Date of Hire
Hours Worked	Daytime Phone No.	Beneficiary Name / Relationship (estate unless designated otherwise)			
Spouse's Name (if coverage is requested)		Gender	Spouse Date of Birth		
				Member	Spouse
Are you actively at work?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
Are you now hospitalized or unable to perform your normal duties and activities?					<input type="checkbox"/> YES <input type="checkbox"/> NO

List all eligible children for whom you are proposing coverage (from Youngest to Oldest):

Name	Gender	Date of Birth	Name	Gender	Date of Birth

ACCIDENT ☐ 24 Hour] [☐ Non-Occupational] Plan _____ [Section 125 ☐ Yes ☐ No]
☐ Member [☐ Member & Spouse] [☐ Member & Children] [☐ Family] **Cost per pay period:** \$ _____

To the best of my knowledge and belief, the answers to the questions on this application are true and complete. They are offered to Continental American Insurance Company as the basis for any insurance issued.

- Does this coverage replace or change any existing insurance? ☐ YES ☐ NO
- If "Yes," provide carrier and policy number: _____

CERTIFICATION: I have read the completed application and I realize any false statement or misrepresentation in the application may result in loss of coverage under the certificate. I understand that no insurance will be in effect until my application is approved and the necessary premium is paid.

Coverage will not become effective unless you are actively at work on the date of the enrollment and the effective date of coverage.

I understand and agree that the coverage that I am applying for may have a pre-existing condition exclusion.

I authorize my employer to deduct the appropriate dollar amount from my earnings and to deduct and pay Continental American Insurance Company the premium required thereafter each pay period for my insurance.

Deduction start date _____

Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

Date _____ Signature of Applicant _____

Date _____ Signature of Agent _____ Agent # _____ State of Enrollment _____



CONTINENTAL AMERICAN INSURANCE COMPANY

2801 Devine Street, Columbia, South Carolina 29205
800-433-3036

DEPENDENT ACCIDENT RIDER TO CERTIFICATE OF INSURANCE FOR ACCIDENTAL INJURY

This Rider is a part of the Certificate to which it is attached. We have issued this Rider to you because: (1) you paid the additional premium for this Rider; and (2) we relied on the Application you made. Unless amended by this Rider, Certificate Definitions, Exclusions and Limitations, other Provisions and terms apply to this Rider.

Effective Date - If issued at the same time as the Certificate, this rider becomes effective when the Certificate becomes effective. If issued after the Certificate becomes effective, this Rider will have a later Effective Date, which will be shown in the Rider Schedule issued with this Rider. The insurance of a dependent will become effective on the rider date if such person is active on that date. Otherwise, the Effective Date will be deferred until the day following the date he or she becomes active.

DEFINITIONS

When the terms below are used in this rider, the following definitions will apply:

YOU, YOUR Means the person named in the Certificate Schedule.

SPOUSE Means the person married to you on the Effective Date of this Rider.

This Rider may only be issued to your spouse if your spouse is between ages 18 and 64, inclusive. Coverage on your spouse terminates when your spouse attains age 70.

CHILDREN Means your natural children, step-children, foster children, legally adopted children or children placed for adoption, who:

- are unmarried;
- are chiefly dependent on you or your spouse for support;
- are living with you in a regular parent-child relationship; and
- are younger than age 19, or younger than age 25 if they are full-time students. The definition of "full-time student" will be based on the criteria of the learning institution at which the student is enrolled.

"Children" also includes dependent children, regardless of age, who:

- are mentally or physically handicapped;
- became or become handicapped prior to age 19; and
- cannot support themselves because of their handicap.

If your children are covered under this Rider, your children born or placed in your home after the Effective Date of this Rider will also be covered from the moment of

live birth or placement. No notice or additional premium is required.

DEPENDENT Means your spouse, child or children, named in the Application for this rider for whom a premium is paid.

ACTIVE "Active" as used refers to a dependent who is not confined in a hospital and who is able to carry on regular activities customary of a person in good health of the same age and sex.

PRE-EXISTING CONDITION Pre-existing condition means within the 12 month period prior to the Effective Date of this Rider an injury, sickness, or physical condition for which:

1. Medical advice or treatment was recommended or received; or
2. The existence of symptoms which would cause an ordinarily prudent person to seek diagnosis, care, or treatment.

TREATMENT Means consultation, care or services provided by a physician including diagnostic measures and taking prescribed drugs and medicines.

BENEFITS

If a dependent is injured in an accident, we will provide the benefits contained in the Certificate under the Benefits Section. The appropriate benefit amounts we will pay for the dependent are shown in the Dependent Benefit Schedule issued with this Rider.

LIMITATIONS AND EXCLUSIONS

PRE-EXISTING CONDITION We will not pay benefits for any loss caused by a pre-existing condition; coverage for such condition will be excluded for 12 months after the Effective Date of this Rider.

This Rider may have been issued as a replacement for a Rider previously issued to you under the Plan. If so, then the pre-existing condition limitation provision of this Rider will only exclude those conditions excluded by the former contract. This pre-existing condition limitation applies only to any increase in benefits over the prior Rider. Any remaining period of pre-existing condition limitation of the prior Rider will continue to apply to the prior level of benefits. Time spent under the former and present contract will be computed together to determine if a condition is still considered pre-existing.

GENERAL PROVISIONS

If your spouse's coverage is terminated because of annulment or divorce, or a dependent child's coverage is terminated because of marriage or attainment of the limiting age, we will still pay benefits for any accident which occurred while the dependent was covered under this Rider.

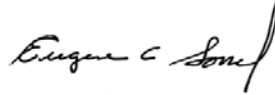
TIME LIMIT ON CERTAIN DEFENSES After this Rider has been in force for a period of two years it shall become incontestable as to the statements contained in the Application.

CONTRACT

This Rider is part of the Certificate, and will terminate when the Certificate terminates, or when premiums are no longer paid for this Rider.

This Rider is subject to all of the terms of the Certificate to which it is attached unless any such terms are inconsistent with the terms of this Rider.

Signed by the Company at its Home Office.

A handwritten signature in cursive script, appearing to read "Eugene C. Smith".

President

**DEPENDENT
BENEFIT SCHEDULE**

SPOUSE AND CHILD

FRACTURES

Hip/thigh	\$4,000
Vertebrae	3,600
Pelvis	3,200
Skull (depressed)	3,000
Skull (simple)	1,400
Leg	2,400
Foot/ankle/knee cap	2,000
Forearm/hand	2,000
Lower jaw	1,600
Shoulder blade/collar bone	1,600
Upper arm/upper jaw	1,400
Facial bones (except teeth)	1,200
Vertebral processes	800
Coccyx/rib/finger/toe	320

DISLOCATIONS

Hip	2,700
Knee (not knee cap)	1,950
Shoulder	1,500
Foot/ankle	1,200
Hand	1,050
Lower jaw	900
Wrist	750
Elbow	600
Finger/toe	240

LACERATIONS

Over 6"	400
2" to 6"	200
Under 2"	50

Lacerations not requiring stitches	25
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CONCUSSIONS	200
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COMA	10,000
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EMERGENCY DENTAL WORK

Repair with crown	150
Extraction	50

INJURIES REQUIRING SURGERY

Eye injuries

Requiring surgical repair	250
Removal of foreign body	50

Tendons/ligaments

Single	400
Multiple	600

Ruptured disc

Date of injury occurs during first certificate year	100
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Date of injury occurs after first certificate year	400
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Torn knee cartilage

Date of injury occurs during first certificate year	100
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Date of injury occurs after first certificate year	400
--	-----

Internal Injuries	1,000
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Exploratory Surgery (without repair)	250
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BURNS**Second Degree**

Less than 10%	100
At least 10% but less than 25%	200
At least 25% but less than 35%	500
35% or more	1,000

Third Degree

Less than 10%	500
At least 10% but less than 25%	3,000
At least 25% but less than 35%	7,000
35% or more	10,000

SERVICES

Blood/plasma	100
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Ambulance	100
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Air ambulance	500
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Transportation

Train or Plane	300
Bus	150

Family Member Lodging	100/per night
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Maximum Benefit - 30 days

Prosthesis	500
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Appliances	100
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Accident Follow-up Treatment	25	
Maximum of 6 treatments per covered accident		
Physical Therapy	25	
Maximum of 6 treatments per covered accident		
Wellness	60	
Once per 12-month period		
HOSPITAL ADMISSION	\$1,000	
Payable once per calendar year		
HOSPITAL CONFINEMENT	\$200/day	
Maximum Benefit - 365 days		
0 Day elimination Period		
HOSPITAL INTENSIVE CARE	\$400/day	
Maximum Benefit - 30 days		
0 Day elimination Period		
	SPOUSE	CHILD
Medical fees		
Maximum per accident	125	75
PARALYSIS		
Four limbs (quadriplegia)	10,000	5,000
Two limbs (paraplegia)	5,000	2,500
ACCIDENTAL DISMEMBERMENT		
Loss of hand, foot or sight		
Single loss	2,500	1,250
Double loss	10,000	5,000
Loss of one or more finger or toe	500	250
Partial Amputation of finger or toe	100	100
ACCIDENTAL DEATH	10,000	5,000
ACCIDENTAL COMMON CARRIER DEATH	50,000	15,000

DEPENDENT ACCIDENT RIDER SCHEDULE

Insured - [John A. Doe]
Effective Date - [June 1, 2003]
Initial Premium - [\$10.25 Monthly]

Group Policy Number - [1234]
Rider Number - [0599]
Certificate Number- [51491]
First Renewal Date- [July 1, 2003]

Benefits for Accidents - Dependent Accident Coverage
(See Dependent Benefit Schedule)

SERFF Tracking Number:	CAIC-126646101	State:	Arkansas
Filing Company:	Continental American Insurance Company	State Tracking Number:	45782
Company Tracking Number:	7639		
TOI:	H02G Group Health - Accident Only	Sub-TOI:	H02G.000 Health - Accident Only
Product Name:	NGAA Accident Advantage		
Project Name/Number:	NGAA Accident Advantage/7639		

Supporting Document Schedules

	Item Status:	Status Date:
Satisfied - Item: Flesch Certification Comments: Attachments: AR Life and Health Insurance Guaranty Association Notice.pdf Readability Certification.pdf	Approved-Closed	07/14/2010
Satisfied - Item: Application Comments: See applications under Form Schedule.	Approved-Closed	07/14/2010
Satisfied - Item: Cover Letter Comments: Attachment: Cover Letter.pdf	Approved-Closed	07/14/2010
Satisfied - Item: AR Association Checklist Comments: Attachments: AR Association Requirement Checklist - Complete.pdf NGAA_Insurance_Form.pdf	Approved-Closed	07/14/2010
Satisfied - Item: Bylaws & Articles of Incorporation	Approved-Closed	07/14/2010

SERFF Tracking Number:	CAIC-126646101	State:	Arkansas
Filing Company:	Continental American Insurance Company	State Tracking Number:	45782
Company Tracking Number:	7639		
TOI:	H02G Group Health - Accident Only	Sub-TOI:	H02G.000 Health - Accident Only
Product Name:	NGAA Accident Advantage		
Project Name/Number:	NGAA Accident Advantage/7639		

Comments:

Attachments:

NGAA Bylaws.pdf
NGAA Articles of Incorporation.pdf
Appendix A Update-Mar2006.pdf
Appendix B.pdf

	Item Status:	Status Date:
Satisfied - Item: Amendment Letter 6-1-2010	Approved-Closed	07/14/2010
Comments:		
Attachment: Amendment Letter 6-1-2010.pdf		

**LIMITATIONS AND EXCLUSIONS UNDER THE
ARKANSAS LIFE AND HEALTH INSURANCE
GUARANTY ASSOCIATION ACT**

Residents of this state who purchase life insurance, annuities or health and accident insurance should know that the insurance companies licensed in this state to write these types of insurance are members of the Arkansas Life and Health Insurance Guaranty Association ("Guaranty Association"). The purpose of the Guaranty Association is to assure that policy and contract owners will be protected, within certain limits, in the unlikely event that a member insurer becomes financially unable to meet its obligations. If this should happen, the Guaranty Association will assess its other member insurance companies for the money to pay the claims of policy owners who live in this state and, in some cases, to keep coverage in force. The valuable extra protection provided by the member insurers through the Guaranty Association is not unlimited, however. And, as noted in the box below, this protection is not a substitute for consumers' care in selecting insurance companies that are well managed and financially stable.

DISCLAIMER

The Arkansas Life and Health Insurance Guaranty Association ("Guaranty Association") may not provide coverage for this policy. If coverage is provided, it may be subject to substantial limitations or exclusions and require continued residency in this state. You should not rely on coverage by the Guaranty Association in purchasing an insurance policy or contract.

Coverage is NOT provided for your policy or contract or any portion of it that is not guaranteed by the insurer or for which you have assumed the risk, such as non-guaranteed amounts held in a separate account under a variable life or variable annuity contract.

Insurance companies or their agents are required by law to provide you with this notice. However, insurance companies and their agents are prohibited by law from using the existence of the Guaranty Association to induce you to purchase any kind of insurance policy.

The Arkansas Life and Health Insurance Guaranty Association
c/o The Liquidation Division
1023 West Capitol
Little Rock, Arkansas 72201

Arkansas Insurance Department
1200 West Third Street
Little Rock, Arkansas 72201-1904

The state law that provides for this safety-net is called the Arkansas Life and Health Insurance Guaranty Association Act ("Act"). Below is a brief summary of the Act's coverages, exclusions and limits. This summary does not cover all provisions of the Act; nor does it in any way change anyone's rights or obligations under the Act or the rights or obligations of the Guaranty Association.



READABILITY CERTIFICATION

I, James J. Hennessy, hereby certify that the following forms have the following readability score as calculated by the Flesch Reading Ease Test:

<u>Form</u>	<u>Readability Score</u>
CAI77000AR-NGAA	46
CAI77001AR-NGAA	44
CAI7722AR-NGAA	42

James J. Hennessy, AIRC, ACP, CCP
Vice President, Compliance
Continental American Insurance Company

May 26, 2010
Date



May 26, 2010

Rosalind Minor
Arkansas Department of Insurance
1200 West 3rd Street
Little Rock, AR 72201-1904

**Re: Continental American Insurance Company NAIC#71730 FEIN 57-0514130
National Guard Association of Arkansas, Inc.**

Enclosed: Bylaws and Articles of Incorporation

Forms:

CAI77000AR-NGAA

Group Master Policy

CAI77001AR-NGAA

Certificate of Insurance

CAI7710-NGAA

Master Application

CA-2006-ACC-NGAA

Enrollment Application

CAI7722AR-NGAA

Dependent Accident Rider

Dear Ms. Minor:

We have a sales opportunity through an association called National Guard Association of Arkansas, Inc. domiciled out of Arkansas. We are submitting the bylaws, articles of incorporation, and group accident forms for your review and approval. We have researched this association and found it to be a valid, non-profit organization that is currently in good standing in Arkansas.

Per the conversation from Friday May 21, 2010, between Jamie Hennessy and Rosalyn Minor, Ms. Minor said that it would be ok to submit the AR Association Checklist without items 11 and 12.

This filing is in reference to our Group Accidental Injury Plan which offers a rider for dependent coverage. The coverage provides hospital benefits and accidental injury benefits for the employee when injured in a covered accident.

Thank you for your consideration in this matter. If you have any questions please contact Cindy Lama at 1-888-730-2244, ext. 4333 or at companycompliance@caicworksites.com.

Sincerely,

James J. Hennessy, AIRC, ACP, CCP
Vice President, Compliance
/clc

AR Association Requirements

Before issuing a group accident and health insurance policy to an association, the association or its insurer on behalf of the association, must file with the Department proof that the association is a qualified group under Arkansas Code Annotated § 23-86-106(2)(A)(i)(ii)(iii). Approval of the association as a qualified group for insurance purposes will be determined upon receipt of the following information:

1. Name and address of the association.

National Guard Association of Arkansas, Inc.
Camp Robinson. North Little Rock, Arkansas 72115

2. Is this association incorporated? If so, give state of incorporation.

Yes - Arkansas

3. Is there a current office in Arkansas?

The principal office of the corporation is located in Building 8100, Camp Joseph T. Robinson, North Little Rock, Pulaski County, Arkansas.

4. Does the Arkansas part of the organization have any officers, committees, or chapters? If so, give details.

Association is domiciled in Arkansas.

From the Bylaws:

COMMITTEES

SECTION 1. EXECUTIVE COMMITTEE

a. An executive committee shall consist of the President, First Vice President, Second Vice President, Secretary-Treasurer. Additional members to this committee may be appointed by the Board of Directors when deemed appropriate. These additional members will be drawn from current existing Board members.

b. The Board of Directors may vest the Executive Committee with control of affairs which require action more frequently than the quarterly meetings of the full Board. By a simple majority, the Board may revoke or modify any or all of the authority delegated to the Executive Committee. The Secretary shall keep regular minutes of the proceedings of meetings by the Executive Committee, causing them to be filed in the corporate records, and reporting same to the Board as required.

SECTION 2. OTHER COMMITTEES

a. The President shall appoint a nominations committee.

b. The Board of Directors shall have such other committees as may from time to time be required. These committees may consist of persons who are not also members of the Board and who shall act in an advisory role to the Board.

5. Are annual dues charged? If so, specify amount.

DUES STRUCTURE

a. Annual Dues. The annual dues for this corporation are based on rank, payable upon invoice as follows: General Officer - \$30; Colonel - \$25; Lieutenant Colonel - \$20; Major - \$20; Captain - \$15; First Lieutenant - \$15; Second Lieutenant - \$12; CW5 - \$20; CW4 - \$15; CW3 - \$15; CW2 - \$15; WO1 - \$12; Retired - \$5; Allied - \$25; Past - \$5; Corporate - \$100.

b. Life Membership. Life membership shall be available for any person eligible under all other criteria at a cost of one hundred twenty dollars (\$120). Retired life memberships are provided the applicant has a minimum of twenty (20) years service, and has effectively retired from the Arkansas National Guard, at a cost of sixty dollars (\$60).

6. What are the specific activities of the association?

State Military Security

7. What benefits are provided to the members in addition to insurance? ATTACH BROCHURES ON THE ASSOCIATION WHICH OUTLINES THE ADDITIONAL BENEFITS.

Please see the attached Life insurance application offered to all guard members during their in processing and during enrollments.

8. What qualifies an individual for membership?

Limited to those persons who are active or retired officers in the Arkansas National Guard and who have or have had federal recognition in the National Guard of the United States. See Article II, Section 1 & 2 of Articles of Incorporation.

9. How are members recruited? If by mailing list, advise the source of this list.

The Board will designate a chair for each committee, and the chair is responsible to recruit additional members as deemed appropriate. The members are recruited unit by unit during association meetings within the Arkansas National Guard.

10. Attach a copy of the association's Articles of Incorporation and By Laws.

Attachments included under Supporting Documentation Tab in SERFF.

11. Enclose a list of dues paying members residing in Arkansas with full addresses. If the association considers this privileged information, we will treat it as such and once it has served our purpose, it will be destroyed.

See Cover Letter

12. Please attach a copy of the association's most recent financial statement.

See Cover Letter

13. Does the association receive any compensation of any kind from the insurer issuing contracts to its members?

Yes. The association is established as a broker with AFLAC. They receive 30% of the commissions.

**AMERICAN EQUITY INVESTMENT LIFE INSURANCE COMPANY
ENROLLMENT FOR GROUP LIFE INSURANCE
NATIONAL GUARD ASSOCIATION OF ARKANSAS**

Policy Number _____ Effective Date _____ Unit Code No. _____

I am now an active member of the National Guard. I hereby make application for life insurance for which I am eligible under the Group Insurance Contract issued to the National Guard Association of Arkansas by the American Equity Investment Life Insurance Company of Des Moines, Iowa. The following statements and answers are true and correct to the best of my knowledge and belief.

NAME _____ GRADE _____ SSN _____

MAILING ADDRESS _____

BENEFICIARY _____ RELATIONSHIP _____

NATIONAL GUARD UNIT _____ HOME TELEPHONE _____

MEMBER'S DATE OF BIRTH _____ PLACE OF BIRTH _____

DATE OF ENLISTMENT _____

1. Height _____ ft. _____ in. Weight _____ lbs. _____ Married _____ Single _____
 2. Do you or your dependents know of any impairments now existing in your health or physical condition? ☐ Yes ☐ No
 3. Have you or your dependents had any illness or injuries during the past 3 years? ☐ Yes ☐ No
 4. Have you or your dependents ever had any of the following: Tuberculosis, Rheumatism, Disease of Heart, Lungs, Stomach, Kidney, Liver, Brain or any other disease of illness? ☐ Yes ☐ No
 5. Have you or your dependents been absent from your regular duties due to illness or injury during the past six months? ☐ Yes ☐ No
 6. Have you ever been refused, postponed or rated-up by a life insurance company? ☐ Yes ☐ No
 If so, give name of company and cause: _____

IF YOU ANSWERED YES TO ANY OF THE ABOVE QUESTIONS, INDICATE BELOW THE NATURE OF THE ILLNESS OR INJURY, DURATION, SEVERITY, WITH AGES AND DETAILS AND THE NAME OF THE PHYSICIAN: _____

THIS APPLICATION IS REQUESTED FOR:		NEW ENROLLMENT	INCREASE
GUARD MEMBER:		DEPENDENT:	SPOUSE:
2. <input type="checkbox"/> \$10,000 (\$3.65) 3. <input type="checkbox"/> \$15,000 (\$5.35) 4. <input type="checkbox"/> \$20,000 (\$7.00) 5. <input type="checkbox"/> \$25,000 (\$8.65) 6. <input type="checkbox"/> \$30,000 (\$10.30) 7. <input type="checkbox"/> \$35,000 (\$11.95)	8. <input type="checkbox"/> \$40,000 (\$13.60) 9. <input type="checkbox"/> \$45,000 (\$15.25) A. <input type="checkbox"/> \$50,000 (\$16.90)	3. <input type="checkbox"/> \$ 5,000 (\$3.33) 4. <input type="checkbox"/> \$10,000 (\$6.66)	2. <input type="checkbox"/> \$10,000 (\$3.65) 3. <input type="checkbox"/> \$15,000 (\$5.35) 4. <input type="checkbox"/> \$20,000 (\$7.00) 5. <input type="checkbox"/> \$25,000 (\$8.65)

COMPLETE FOR DEPENDENT OR SPOUSE COVERAGE

Spouse Name: _____ Spouse DOB: _____

Number of Children Under Age 21: _____ DOB of Oldest Child Under Age 21: _____

ACKNOWLEDGEMENT AND AUTHORIZATION: I hereby authorize any physician, hospital, clinic, insurance company, the Medical Information Bureau, or other organization, institution or person that has any records of knowledge of me or of any member of my family of my (our) health to give this requested information to the American Equity Investment Life Insurance Company (or its reinsurers). A photographic copy of this authorization shall be as valid as the original. I hereby assign any experience premium refunds to the National Guard Association of Arkansas to be used for purposes which benefit the policies and programs of the National Guard Association of Arkansas. I acknowledge receipt of form 5609, "Your Insurance Application and How it is Handled". Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application of files a claim containing false or deceptive statement is guilty of insurance fraud.

Dated in (City, State) _____ this _____ day of _____ year _____

WITNESS SIGNATURE _____ MEMBER SIGNATURE _____

**BYLAWS OF
THE NATIONAL GUARD ASSOCIATION
OF ARKANSAS, INCORPORATED**

**ARTICLE 1
OFFICES**

SECTION 1. PRINCIPAL OFFICE

The principal office of the corporation is located in Building 8100, Camp Joseph T. Robinson, North Little Rock, Pulaski County, Arkansas.

SECTION 2. CHANGE OF ADDRESS

The designation of the county or state of the corporation's principal office may be changed by amendment of these Bylaws. The Board of Directors may change the principal office from one location to another within the named county by noting the changed address and effective date below, and such changes of address shall not be deemed, nor require, an amendment of the Bylaws:

----- Dated:-----

----- Dated:-----

----- Dated:-----

SECTION 3. OTHER OFFICES

The corporation may also have offices at such other places, within or without its state of incorporation, where it is qualified to do business, as its business and activities may require, and as the Board of Directors may, from time to time, designate.

**ARTICLE 2
NONPROFIT PURPOSES**

SECTION 1. IRC SECTION 501 (c) (19) PURPOSES

This corporation is organized exclusively for one or more of the purposes specified in Section 501 (c) (19) of the Internal Revenue Code. A short description of the provisions of Section 501 (c) (19) is at Appendix B.

SECTION 2. SPECIFIC OBJECTIVES AND PURPOSES

- a. Development and strengthening of the Arkansas National Guard;
- b. Promote cooperation and friendship among the commissioned officers of the Arkansas National Guard;
- c. Encourage and enhance the opportunity to network with members of National Guard associations in other states and components of the Armed Forces;
- d. To cooperate with and support the programs and activities of the Arkansas State Military Department;
- e. To cooperate with and support the programs and activities of the National Guard Association of the United States;

- f. To cooperate with and support the programs and activities of the National Guard Executive Director's Association;
- g. To cooperate with and support the programs and activities of the Enlisted Association of the Arkansas National Guard;
- h. To cooperate with and support the programs and activities of the Enlisted Association of the National Guard of the United States;
- i. To provide benefits and services to the membership of this corporation, to include a comprehensive group insurance program.

ARTICLE 3 DIRECTORS

SECTION 1. QUALIFICATION AND SELECTION.

a. Directors of this corporation shall be selected from the general membership, and shall be current annual members or life members in order to be elected to the position. Allied members, associate members, past members and corporate members are not eligible for service on the Board of Directors.

b. Directors shall consist of a representative from each of the categories listed in Appendix A. The Board of Directors may change the categories in Appendix A to conform to future changes in configuration of the Arkansas National Guard, and such changes shall not be deemed, nor require, an amendment of these Bylaws.

c. Additionally, the following hold status as directors of this corporation:

- (1) The Immediate Past President;
- (2) The President
- (3) The First Vice President (President-elect)
- (4) The Second Vice President
- (5) The Executive Director, who may also serve as Secretary-

Treasurer of the Corporation.

SECTION 2. ELECTION OF DIRECTORS

Directors, as defined in Appendix A, shall be elected for a term of two (2) years in an election held at the annual business session during even numbered years.

a. Qualified members of each major unit or caucus shall nominate an officer as representative of that unit or caucus. This process can be accomplished at any convenient time and can include mail balloting. Selections will be reported to the corporation Secretary for publication.

b. The corporation Secretary shall publish this list of nominees to the general membership. During a duly convened corporation business meeting, this slate of officers shall be elected by simple majority vote of the members in attendance.

SECTION 3. SUCCESSION AND RESIGNATION OF DIRECTORS

a. Directors may resign at any time for personal reasons. Directors may also constructively resign by transfer or retirement from the unit or caucus from which selected.

b. When a vacancy occurs, the President of the corporation, in consultation with the major unit commander or caucus chairperson, will identify a suitable replacement. That individual will be appointed to serve the unexpired term by a simple majority vote of the Board of Directors at the next scheduled board meeting.

SECTION 4. POWERS

Subject to the provisions of the laws of this state and any limitations in the Articles of Incorporation and these Bylaws relating to action required or permitted to be taken or approved by the membership of this corporation, the activities and affairs of this corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board of Directors.

SECTION 5. DUTIES AND RESPONSIBILITIES

Directors shall:

a. Perform any and all duties imposed on them collectively or individually by law, by the Articles of Incorporation or by these Bylaws;

b. Appoint and remove, employ and discharge, and, except as otherwise provided in these Bylaws, prescribe the duties and fix the compensation of all agents and employees of the corporation;

c. Supervise all officers, agents and employees of the corporation to assure that their duties are performed in accordance with established policy and procedure which has, or may be announced;

d. Meet at such times and places as required by these Bylaws;

e. Register their addresses with the Secretary of the corporation, and notices of meetings mailed or telephoned to them at such addresses shall be valid notices thereof.

SECTION 6. COMPENSATION

Directors shall serve without compensation except that a reasonable fee may be paid to directors for attending regular and special meetings of the board. In addition, they may be allowed reasonable reimbursement of expenses incurred in the performance of their duties.

SECTION 7. PLACE OF MEETINGS

Meetings shall be held at the principal offices of the corporation unless otherwise provided by the Board or at such other place as may be designated from time to time at the discretion of the President and Executive Committee.

SECTION 8. MEETINGS

- a. Regular meetings of Directors shall be held quarterly.
- b. Special meetings may be called by the President or by one-third of the Board of Directors. .

SECTION 9. NOTICE OF MEETINGS

- a. No notice need be given of any regular meeting of the Board of Directors.
- b. At least one week prior notice shall be given by the Secretary of the corporation to each director of each special meeting of the board. This notice may be by first class mail, by telephone, by facsimile message, or by electronic message. The notice shall state the place, date and time of the proposed meeting, and the subject matter to be acted upon.
- c. A quorum shall consist of one-third or more of the members of the Board of Directors. Except as otherwise provided under the Articles of Incorporation, these Bylaws, or provisions of law, no business shall be considered by the Board of Directors at any meeting at which the required quorum is not present. The only motion which the Chair may entertain at such meeting is a motion to adjourn.

SECTION 10. MAJORITY ACTION AS BOARD ACTION

Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present, is the act or decision of the Board of Directors, unless the Articles of Incorporation, these Bylaws, or provisions of law specify different voting margins.

SECTION 11. CONDUCT OF MEETINGS

- a. Meetings of the Board of Directors shall be presided over by the President of the corporation or, in absence of this officer, the First Vice President or, in absence of this officer, the Second Vice President. If none of the three officers are present, the Board shall choose a chairperson by a majority vote of the quorum present. The Immediate Past President shall be temporary chair for the purpose of conducting this election or, in absence of this officer, the Secretary-Treasurer of the corporation shall serve in this capacity.
- b. The Secretary of the corporation shall act as secretary of all meetings of the board, provided that in absence of this officer, the presiding officer shall appoint another person to act as secretary of the meeting.
- c. Meetings of members shall be presided over by the President. In absence of the President, the succession pursuant to Article 3, Section 11, paragraph a, shall apply.

Meetings shall be governed by ***Modern Parliamentary Procedure, APA, Copyright 1994***, as such rules may be revised from time to time, insofar as such rules are not inconsistent with or in conflict with the Articles of Incorporation,

these Bylaws, or with provisions of law.

SECTION 12. NON-LIABILITY OF DIRECTORS

The directors shall not be personally liable for the debts, liabilities or other obligations of this corporation.

SECTION 13. INDEMNIFICATION OF DIRECTORS AND OFFICERS

The officers and directors of the corporation shall be indemnified by the corporation to the fullest extent permissible under the laws of this state.

SECTION 14. INSURANCE FOR CORPORATE AGENTS AND EMPLOYEES

a. Except as may be otherwise provided under provisions of law, the Board of Directors may authorize purchase of insurance on behalf of any agent or employee of the corporation against liabilities asserted against or incurred by such agent or employee arising out of the agent/employee's status in such capacity, whether or not the corporation would have the power to indemnify said agent or employee against such liability under the Articles of Incorporation, these Bylaws or provisions of law.

b. The Board of Directors may, at their discretion, bond any agent or employee.

c. A suitable Errors and Omissions policy shall be obtained and maintained for each agent or employee engaged in the sale of insurance.

ARTICLE 4 OFFICERS

SECTION 1. DESIGNATION OF OFFICERS

The officers of this corporation shall consist of a President, First Vice President (President Elect), a Second Vice President, and a Secretary-Treasurer. The President, with the concurrence of the Board, may designate such assistant secretaries and assistant treasurers as may be determined necessary from time to time.

SECTION 2. QUALIFICATION TO SERVE AS AN OFFICER

All current annual members and life members of the corporation are eligible to serve in an officer position.

SECTION 3. ELECTION AND TERM OF OFFICE

a. This corporation shall be led by a President, who will ascend to that

office automatically at the conclusion of the next annual business meeting after his or her election as First Vice President.

b. Candidates for First Vice President and Second Vice President shall be selected by a nominations committee. This slate shall be announced to the membership by the Secretary.

c. At the next annual business meeting, this slate of officers shall be put in nomination by the chair of the nominations committee. Nominations from the floor shall then be in order. A written ballot may be requested by any member, subject to a second and simple majority of the members present.

d. These officers shall serve until the conclusion of the next annual business meeting of the corporation membership.

e. The Secretary-Treasurer is appointed by the Board of Directors and serves at the pleasure of that body.

SECTION 4. DUTIES OF OFFICERS

a. The President shall preside at all meetings of the Board of Directors and the general membership. He or she shall perform all duties incident with the office and such other duties as may be required by law, by the Articles of Incorporation, by these Bylaws or which may be prescribed from time to time by the Board of Directors.

b. In absence of the President, the First Vice President shall perform all the duties of the President, and when so acting, shall have all the powers of, and be subject to, all the restrictions on the President. The First Vice President shall have other powers and perform other duties as may be prescribed by law, the Articles of Incorporation, these Bylaws, or by the Board of Directors.

c. In absence of the President and the First Vice President, the Second Vice President shall perform all the duties of the President, and when so acting, shall have all the powers of, and be subject to, all the restrictions on the President. The Second Vice President shall have other powers and perform other duties as may be prescribed by law, the Articles of Incorporation, these Bylaws or by the Board of Directors.

d. As Secretary, the incumbent shall:

(1) Certify and keep at the principal office of the corporation the original, or a copy, of these Bylaws as amended or otherwise altered to date:

(2) Keep at the principal office of the corporation the minutes of all meetings of the directors, committees and the general membership. The record should include the date and place of such meeting, identity of participants and an account of the proceedings.

(3) Be responsible to see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law.

(4) Be custodian of the records and, as authorized by law or the

provisions of these Bylaws, execute documents of the corporation.

(5) Keep at the principal office of the corporation a membership record containing the name and address of each and any members, and, in the case where any membership has expired, record such fact together with the date on which such membership ceased.

(6) Exhibit at all reasonable times to any director of the corporation, or to his or her agent or attorney, on request therefor, the Bylaws, the membership roster, and the minutes of the proceedings of the directors and membership of the corporation.

(7) In general, perform all duties incident to the office of Secretary and such other duties as may be required by law, by the Articles of Incorporation, these Bylaws, or which may be assigned to him or her from time to time by the Board of Directors.

e. As Treasurer, the incumbent shall:

(1) Have charge and custody of, and be responsible for, all funds and securities of the corporation, and deposit all such funds in the name of the corporation in such banks, trust companies, or other depositories as shall be selected by the Board of Directors.

(2) Receive, and give receipt for, monies due and payable to the corporation from any source whatsoever.

(3) Disburse, or cause to be disbursed, the funds of the corporation as may be directed by the Board of Directors.

(4) Keep and maintain adequate and correct accounts of the corporation's properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains and losses.

(5) Exhibit at all reasonable times the books of account and financial records to any director of the corporation, or to his or her agent or attorney, on request therefor.

(6) Render to the President and directors a comprehensive account of all transactions and of the financial condition of the corporation each month.

(7) Prepare, or cause to be prepared, and certify, or cause to be certified, the financial statements to be included in any required reports.

(8) In general, perform all duties incident to the office of Treasurer and such other duties as may be required by law, by the Articles of Incorporation, these Bylaws, or which may be assigned from time to time by the Board of Directors.

SECTION 5. COMPENSATION

a. The officers of this corporation may be entitled to compensation as a director of the corporation as defined in Article 3, Section 6 of these Bylaws when

such compensation is deemed to be conducive to effective management and direction of the Corporation's business. This decision is reserved to the Board of Directors.

b. In addition, normal and reasonable travel expenses of any officer may be reimbursed for duties incident to his or her official duties.

c. The expenses of the President shall be paid by the corporation to attend the annual conference of the National Guard Association of the United States in his or her official capacity as head of the state delegation.

d. The expenses of officers and board members to attend the annual conference of the National Guard Executive Director's Association will be borne by the corporation when approved by the Board of Directors.

ARTICLE 5

COMMITTEES

SECTION 1. EXECUTIVE COMMITTEE

a. An executive committee shall consist of the President, First Vice President, Second Vice President, Secretary-Treasurer. Additional members to this committee may be appointed by the Board of Directors when deemed appropriate. These additional members will be drawn from current existing Board members.

b. The Board of Directors may vest the Executive Committee with control of affairs which require action more frequently than the quarterly meetings of the full Board. By a simple majority, the Board may revoke or modify any or all of the authority delegated to the Executive Committee. The Secretary shall keep regular minutes of the proceedings of meetings by the Executive Committee, causing them to be filed in the corporate records, and reporting same to the Board as required.

SECTION 2. OTHER COMMITTEES

a. The President shall appoint a nominations committee.

b. The Board of Directors shall have such other committees as may from time to time be required. These committees may consist of persons who are not also members of the Board and who shall act in an advisory role to the Board.

SECTION 3. MEETINGS AND ACTION OF COMMITTEES

Meetings and action of committees shall be governed by, noticed, held and taken in accordance with the provisions of these Bylaws as modified by specific action of the Board of Directors. The Board will designate a chair for each committee, and the chair is responsible to recruit additional members as deemed appropriate. The Board may also publish rules and regulations pertaining to the conduct of meetings of committees to the extent that such rules and regulations are not inconsistent with the provisions of these Bylaws.

ARTICLE 6.

EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS

SECTION 1. EXECUTION OF INSTRUMENTS

The Board of Directors, except as otherwise provided in these Bylaws, may authorize any officer or agent of the corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific purposes. Unless so authorized, no officer, agent or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.

SECTION 2. CHECKS AND NOTES

Except as otherwise specifically determined by resolution of the Board of Directors, or as otherwise required by law; checks, drafts, promissory notes, orders for the payment of money, and other evidence of indebtedness of the corporation shall be signed by the Treasurer. The Board of Directors may from time to time issue rules and regulations on the need for countersigning of documents.

SECTION 3. DEPOSITS

All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

ARTICLE 7

CORPORATE RECORDS AND REPORTS

SECTION 1. MAINTENANCE OF CORPORATE RECORDS

The corporation shall keep at its principal office:

- a. Minutes of all meetings of directors, committees of the board and, all meetings of members. These minutes shall specify the time and place of such meetings, identity of those present, and the proceedings thereof.
- b. Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains and losses.
- c. A record of its members, indicating their names and addresses, class of membership and the termination date of any membership.
- d. A copy of the corporation's Articles of Incorporation and Bylaws as amended, which shall be open to inspection by the members of the corporation at all reasonable times during office hours.

SECTION 2. DIRECTORS' INSPECTION RIGHTS

Every director shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect

the physical properties of the corporation and shall have such other rights to inspect the books, records and properties of this corporation as may be required under the Articles of Incorporation, other provisions of these Bylaws, and provisions of law.

SECTION 3. MEMBERS' INSPECTION RIGHTS

Each and every member shall have the following inspection rights for any purpose reasonably related to such person's interest as a member:

a. To inspect and copy the record of all members' names, addresses and voting rights, at reasonable times, upon written demand on the Secretary of the corporation, which demand shall state the purpose for which inspection rights are requested.

b. To obtain from the Secretary of the corporation, upon written demand on, and payment of a reasonable charge to the Secretary of the corporation, a list of the names, addresses and voting rights of those members entitled to vote for the election of directors as of the most recent record date for which the list has been compiled or as of the date specified by the member, subsequent to the date of demand. The demand shall state the purpose for which the list is requested. The membership list shall be made within a reasonable time after the demand is received by the Secretary of the corporation or after the date specified therein as of which the list is to be compiled.

c. Upon delivery of such a list as described in a. and b. above, the recipient member is required to certify that the information provided will not be given to any unauthorized third party, and will not be used for any political or commercial exploitation.

d. To inspect at any reasonable time the books, records, or minutes of proceedings of the members or of the board or committees of the board, upon written demand on the Secretary of the corporation by the member, for a purpose reasonably related to such person's interests as a member.

e. Members shall have such other rights to inspect the books, records and properties of this corporation as may be required under the Articles of Incorporation, other provisions of these Bylaws, and provisions of law.

SECTION 4. RIGHT TO COPY AND MAKE EXTRACTS

Any inspection under the provisions of this Article may be made in person or by agent or attorney and the right to inspection shall include the right to copy and make extracts.

SECTION 5. PERIODIC REPORT

The Board of Directors shall cause any annual or periodic report required under law to be prepared and delivered to an office or to the members of this corporation, to be so prepared and delivered within the time limits set by law.

ARTICLE 8
PROVISIONS OF IRC 501 (c) (19)

SECTION 1. LIMITATIONS ON MEMBERSHIP

The total number of non-veterans who are members of the corporation, of all classes, is limited to no more than two and one-half (2 1/2) percent of total membership. See Appendix B for more information.

SECTION 2. PROHIBITION AGAINST PRIVATE INUREMENT

No part of the net earnings of this corporation shall inure to the benefit of, or be distributable to, the members, directors, trustees, officers or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes of this corporation.

SECTION 3. DISTRIBUTION OF ASSETS

Upon the dissolution of this corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed to a successor corporation, or for one or more exempt purposes within the meaning of Section 501 (c) (3) of the Internal Revenue Code, or to the state or a local government, for a public purpose. Such distribution shall be made in accordance with all applicable provisions of the laws of this state.

SECTION 4. RELATIONSHIP TO TRUSTS

In any taxable year the corporation 1) shall distribute its income for said period at such time and manner as not to subject it to tax under Section 4942 of the Internal Revenue Code; 2) shall not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code; 3) shall not retain any excess business holdings as defined in Section 4943 (c) of the Internal Revenue Code; 4) shall not make any investments in such manner as to subject the corporation to tax under Section 4944 of the Internal Revenue Code, and 5) shall not make any taxable expenditures as defined in Section 4945 (d) of the Internal Revenue Code.

ARTICLE 9
AMENDMENT OF BYLAWS

Subject to the power of the membership of this corporation to adopt, amend or repeal the Bylaws of the corporation and except as may otherwise be specified under provisions of law, these Bylaws, or any one or more of them, may be altered, amended or repealed and new Bylaws adopted by approval of the Board of Directors.

ARTICLE 10
CONSTRUCTION AND TERMS

If there is any conflict between the provisions of these Bylaws and the

Articles of Incorporation of this corporation, the provisions of the Articles of Incorporation shall govern.

Should any of the provisions or portions of these Bylaws be held unenforceable or invalid for any reason, the remaining provisions and portions of these Bylaws shall be unaffected by such holding.

All references in these Bylaws to the Articles of Incorporation shall be to the Articles of Incorporation filed with the Secretary of State's office of this state and used to establish the legal existence of this corporation.

All references in these Bylaws to a section or sections of the Internal Revenue Code shall be to such sections of the Internal Revenue Code of 1986 as amended from time to time, or to corresponding provisions of any future federal tax code.

**MEMBERSHIP PROVISIONS
OF THE BYLAWS OF
THE NATIONAL GUARD ASSOCIATION
OF ARKANSAS, INCORPORATED**

**ARTICLE 11
MEMBERS**

SECTION 1. DETERMINATION AND RIGHTS OF MEMBERS

The Corporation shall have the following classes of membership:

a. Voting membership. Only federally recognized officers of the Arkansas National Guard, or retired officers of the Arkansas National Guard who have held federal recognition, are eligible for membership in the corporation with voting rights. The privilege of voting is extended to those officers who are currently paid annual members or are life members.

b. Nonvoting membership.

(1) Associate members. Enlisted members of the Arkansas National Guard who enroll in the Association's life insurance program are granted associate membership in the corporation.

(2) Allied members. Military or non-military personnel with an interest in the activities and programs of the corporation are eligible for membership as an allied member.

(3) Honorary members. The Board of Directors may, from time to time, confer honorary membership on deserving individuals. The purpose of this class of membership is to recognize valuable and significant contributions of individuals to the corporation's programs and activities.

(4) Corporate members. Annual corporate memberships are afforded to interested sole proprietorship, partnership, corporate and similar business and professional organizations wishing to support the corporation's programs and activities.

(5) Past members. Active members who leave the Arkansas National Guard prior to completing sufficient years of service to qualify for retired membership status, may elect to become Past members.

SECTION 2. DUES STRUCTURE

a. Annual Dues. The annual dues for this corporation are based on rank, payable upon invoice as follows: General Officer - \$30; Colonel - \$25; Lieutenant Colonel - \$20; Major - \$20; Captain - \$15; First Lieutenant - \$15; Second Lieutenant - \$12; CW5 - \$20; CW4 - \$15; CW3 - \$15; CW2 - \$15; WO1 - \$12; Retired - \$5; Allied - \$25; Past - \$5; Corporate - \$100.

b. Life Membership. Life membership shall be available for any person eligible under all other criteria at a cost of one hundred twenty dollars (\$120). Retired life memberships are provided the applicant has a minimum of twenty (20) years service, and has effectively retired from the Arkansas National Guard, at a cost of sixty dollars (\$60).

SECTION 3. MEMBERSHIP MANAGEMENT

a. The Secretary of the corporation shall be responsible for collection of the appropriate dues for each class of membership. Records maintained at the principal office shall establish the record of each member as to current status.

b. The membership of any member shall terminate upon failure to renew his or her membership by payment of the appropriate dues amount. The Secretary shall send notice of dues payable on at least two occasions by first class mail. A list of non-responding officers will be provided to the appropriate director after all reasonable effort has been made to obtain payment in this manner. All rights of a member in the corporation will cease upon termination for non-payment of dues.

SECTION 4. NONTRANSFERABILITY OF MEMBERSHIP

No member may transfer a membership or any right arising therefrom. All rights of membership cease upon the member's death.

SECTION 5. NONLIABILITY OF MEMBERS

A member of this corporation is not, as such, personally liable for the debts, liabilities, or obligations of the corporation.

ARTICLE 12 **MEETINGS OF MEMBERS**

SECTION 1. PLACE OF MEETINGS

The location of each annual meeting of the membership shall be determined by the Board of Directors, and announced as far in advance of the meeting as possible, but in no case will the interval be less than twelve (12) months.

SECTION 2. REGULAR MEETINGS

a. An annual business meeting will be held each year. It is imperative that the date of this meeting be coordinated with the Office of The Adjutant

General for Arkansas, to ensure that this meeting will not conflict with activities involving substantial elements of the Arkansas National Guard.

b. A regular annual business meeting shall conduct the business of the corporation which has come before the membership and Board of Directors. The membership shall elect board members in every even numbered year pursuant to Article 3 Section 2, and shall annually elect officers in accordance with Article 4, Section 3.

SECTION 3. SPECIAL MEETINGS

Special meetings of the membership shall be called by the President with the concurrence of at least one-half (1/2) the members of the Board of Directors.

SECTION 4. NOTICE OF MEETINGS

Notice of regular or special meetings of the membership shall include the location of such meeting, day and hour of the meeting, and, in the case of special meetings, the purpose or purposes for which the meeting is called. Such notice shall be first class mail or bulk rate mail delivered to the U.S. Postal Service not less than ten (10) days or more than ninety (90) days before the scheduled date of the meeting. Such notice shall be deemed to be delivered when deposited in the United States mail addressed to the

member at his or her address as it appears on the records of the corporation, with postage prepaid.

SECTION 5. QUORUM FOR MEETINGS

A quorum shall consist of fifteen percent (15%) of the voting members of the corporation. Except as otherwise provided under the Articles of Incorporation, these Bylaws, or provisions of law, no business shall be considered by the members at any meeting lacking the required quorum, and the only motion which the Chair shall entertain at such meeting is a motion to adjourn.

SECTION 6. MAJORITY ACTION AS MEMBERSHIP ACTION

Every act or decision done or made by a majority of voting members present at a duly held meeting at which a quorum is present, is the act or decision of the members, unless the Articles of Incorporation, these Bylaws, or provisions of law require a greater number.

Each member entitled to vote may cast one vote on each matter submitted to a vote by the members. Voting at duly held meetings shall be by voice vote. During election of directors, a written ballot will be used if the provisions of Article 4, Section 3, paragraph c, are invoked.

SECTION 7. ACTION BY WRITTEN BALLOT

Except as otherwise provided under the Articles of Incorporation, these Bylaws, or provisions of law, any action which may be taken at any regular or special meeting of members, may be taken without a meeting if the corporation

distributes a written ballot to each member entitled to vote on the matter. The ballot shall:

- a. Set forth the proposed action;
- b. Provide an opportunity to specify approval or disapproval of each proposal;
- c. Indicate the number of responses needed to meet the quorum requirement and, except for ballots soliciting votes for the election of directors, state the percentage of approvals necessary to pass the measure submitted; and,
- d. Shall specify the date by which the ballot must be received by the corporation in order to be counted. The date set shall afford members a reasonable time within which to return the ballots to the corporation.

Ballots shall be mailed by first class mail and shall include a preaddressed envelope for return of the completed ballot. Approval of action by written ballot shall be valid only when the number of votes cast by ballot within the time period specified equals or exceeds the quorum required at a meeting called for the same purpose.

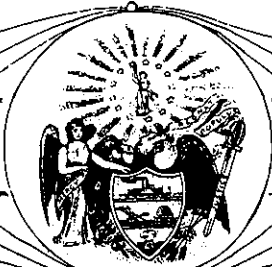
SECTION 8, CONDUCT OF MEETINGS

Meetings of members shall be presided over by the President. In absence of the President, the succession pursuant to Article 3, Section 11, paragraph a, shall apply.

Meetings shall be governed by *Modern Parliamentary Procedure, APA, Copyright 1994*, as such rules may be revised from time to time, insofar as such rules are not inconsistent with or in conflict with the Articles of Incorporation, these Bylaws, or with provisions of law.

STATE OF ARKANSAS

DEPARTMENT



OF STATE

Kelly Bryant, Secretary of State

CERTIFICATE OF INCORPORATION OF DOMESTIC NON-PROFIT CORPORATION

*I, Kelly Bryant, Secretary of State of the
State of Arkansas, Do Hereby Certify, that*

NATIONAL GUARD ASSOCIATION OF ARKANSAS, INC.

*has filed in the office of the Secretary of State, a duly
certified copy of its Articles of Association in
petition for incorporation under the name or style of*

NATIONAL GUARD ASSOCIATION OF ARKANSAS, INC.

*they are therefore hereby declared a body politic and
corporate, by the name and style aforesaid, with all the
powers, privileges and immunities granted in the law
thereunto appertaining.*

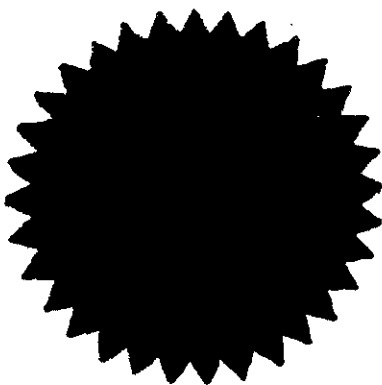
*In Testimony Whereof,
I have hereunto set my hand and
affixed my official Seal*

This 4th *day of* January 19 67

KELLY BRYANT

Secretary of State.

By Cecil De Vere
Deputy.



ARTICLES OF INCORPORATION
OF
NATIONAL GUARD ASSOCIATION OF ARKANSAS, INC.

ARTICLE I

Name, Purpose and Duration.

Section 1. The name of this corporation shall be "National Guard Association of Arkansas, Inc."

Section 2. The purposes for which the corporation is to be formed are:

(a) To develop and strengthen the Arkansas National Guard; to promote close association, friendship, and cooperation among the officers of the National Guard; to cooperate with and support the programs and activities of the Arkansas State Military Department; to cooperate with and support the programs and activities of the National Guard Association of the United States; and to develop the relationship between the National Guard and the other components of the Armed Forces; and

(b) To enter into a contractual relationship with an insurance company or companies to obtain for its members and associate members benefits under a group life insurance policy providing group life insurance for participating members of the Arkansas National Guard in the event of their death in line of duty or otherwise.

1. The annual return from net premiums, if any, from such group insurance program shall be conveyed and transferred by this corporation to Trustees who shall be appointed by the Board of Directors of this corporation

and who shall have sole power and responsibility to administer and manage such annual return for any purpose consistent with these Articles of Incorporation and provided such use or purpose is tax exempt under applicable laws and regulations. No part of the annual net return from such program shall be used for any other corporate purpose.

2. The participants in such group insurance program shall be in all respects treated as a class or group and not as individuals, it being understood that no individual member participant shall have any claim or right or interest in any funds connected with such program at any time, including at the time membership in the corporation is terminated.

(c) This corporation is not organized for pecuniary profit, nor shall it have any power to issue certificates of stock or to declare dividends. No part of the net earnings of the corporation from any source shall inure to the benefit of any member, director, trustee, officer of the corporation, or any private individual (except that a reasonable compensation may be paid for services rendered to or for the corporation effecting one or more of its purposes) and no member, trustee, officer of the corporation or private individual shall be entitled to share in the distribution of any of the corporate assets on dissolution of the corporation.

Section 3. No part of the activities of the corporation shall be carrying on propoganda, or otherwise attempting to influence legislation or participating in, or intervening in (including the publication or distribution

of statements) any political campaign on behalf of any candidate for public office; nor shall any part of the income of the corporation or the principal of its assets be contributed to any organization whose net earnings, or any part thereof, inure to the benefit of any private shareholder or individual or any substantial part of the activities of which is carrying on propoganda or otherwise attempting to influence legislation.

Section 4. In accomplishing these purposes, the corporation may hold or dispose of such property, real or personal, and may invest and reinvest the proceeds therefrom as may be given, devised or bequeathed to this corporation and may acquire and dispose of such property as may be needed to carry out the purposes of the corporation.

Section 5. The period of existence of the corporation shall be perpetual. However, in the event of the corporation's dissolution, all of its assets then remaining shall be paid over and delivered to an organization or organizations whose purpose or purposes are similar to the purposes of this corporation and which are exempt under Section 501 of the Internal Revenue Code of 1954, as amended.

ARTICLE II

Membership and Incorporators.

Section 1. Membership in this corporation shall be limited to those persons who are active or retired officers in the Arkansas National Guard and who have or have had federal recognition in the National Guard of the United States, except as provided in Section 2 hereof.

Section 2. All active members of the non-commissioned officers association of the Arkansas National Guard and all other enlisted members of the Arkansas National Guard who enroll for the group life insurance program provided by this corporation shall be considered associate members hereof whose rights shall be limited to participating in such group insurance program.

Section 3. The initial membership of this corporation shall be identical to the membership in the National Guard Association of Arkansas immediately prior to its incorporation. The incorporators of this corporation are as follows:

<u>NAME</u>	<u>ADDRESS</u>
Thomas C. Armstrong	4900 Greenway Drive N Little Rock, Arkansas
James R. Burdell	43 Westmont Circle Little Rock, Arkansas
Fred C. Storm	3701 Lakeview Road N Little Rock, Arkansas
James B. Usery, Jr.	605 Nevada Drive N Little Rock, Arkansas
Albert L. Tenney	3508 Sevier N Little Rock, Arkansas

ARTICLE III

Management.

Section 1. The management of this corporation shall be vested in a board of directors of not less than three in number. Such board of directors shall be elected from officers and warrant officers of the Arkansas National Guard. The number, manner of election, and composition of the board of directors shall be prescribed in the by-laws of this corporation. The officers of the corporation shall

be a President, a First Vice President (President-Elect), a Second Vice President, a Secretary and a Treasurer. Any person may hold more than one office except that the office of President and Secretary shall not be held by the same person. The directors and officers must be members of the corporation and may not be associate members.

Section 2. The Board of Directors shall have and exercise complete management and control of all the financial affairs of the corporation and all the property thereof. The Board of Directors shall have power to acquire by gift, devise or otherwise, all properties they may deem advisable for the conduct and purposes of the corporation, in order to carry out the objects of the corporation; and to authorize such officers not herein designated as the Board may see fit to act in its behalf in such transactions, and the Board of Directors shall also have authority to make By-Laws for their own government and for the government of the corporation, not inconsistent with these Articles.

Section 3. In addition to the foregoing, the Board of Directors shall be authorized to exercise all the powers and authorities authorized by Arkansas law applicable to non-profit corporations.

Section 4. The original Board of Directors of this corporation shall be twenty-eight (28) in number. The names and addresses of the original members of the Board of Directors of this corporation are:

<u>NAME</u>	<u>ADDRESS</u>
William A. Margrave	214 Wedgewood, Little Rock, Ark.
Boyce O. Cranford	1615 Pine Valley Rd, Little Rock, Ark.
Joe H. Jamell, Jr.	3300 S. Cliff Dr., Fort Smith, Ark.

Alvin A. Albinson	1100 Park Ave., Hot Springs, Ark.
Thomas C. Armstrong	4900 Greenway Drive North Little Rock, Arkansas
Roy C. Martin	3115 Kellogg Road North Little Rock, Arkansas
John J. Faulkner	4420 Olive North Little Rock, Arkansas
James R. Burdell	43 Westmont Circle Little Rock, Arkansas
Derrell W. Henry	5808 Scenic Dr., Little Rock, Ark.
Lloyd L. Bray	904 Wilson St., Malvern, Ark.
William A. Cook	101 Pyeatt St., Searcy, Ark.
Don W. Sedberry	Rt. 1, Box 238, Warren, Ark.
Robert R. Levins	Tanglewood Dr., Fordyce, Ark.
Jack M. Presley	502 West 8th Street Russellville, Arkansas
James C. Hickey	P.O. Box 194, Hazen, Arkansas
Edwin F. Montgomery	100 S. Liberty St., Marianna, Ark.
Burton O. George	P.O. Box 412, Berryville, Ark.
James K. Cornett	32 Robinwood Dr., Little Rock, Ark.
Lambert M. Wallace	P.O. Box 414, Star City, Ark.
William L. Bush	Rt. 2, Lincoln, Arkansas
John J. Marschewski, Jr.	7575 Cantrell Road, Apt. 46 Little Rock, Arkansas
Lowell W. Whittington	4423 Hazelwood North Little Rock, Arkansas
Oliver W. Myers	P.O. Box 355, Paragould, Ark.
Monroe House	1825 James St., Jonesboro, Ark.
Beal K. Snodgrass	Rt. 4, Box 101, Nashville, Ark.
Thomas R. Bond	30 Point O'Woods Drive Little Rock, Arkansas
Fred C. Storm	3701 Lakeview Road North Little Rock, Arkansas
Frank C. Douglas, Jr.	P. O. Box 677 North Little Rock, Arkansas

The present directors shall hold office until the next annual meeting of this corporation and thereafter for a term of one (1) year or until their successors are elected and qualified at each annual meeting of this corporation.

Section 5. The Board of Directors may provide for in By-Laws adopted for the corporation, or may therein authorize the President to appoint such committees or sub-committees as it deems necessary for carrying out the purposes of this corporation.

Section 6. The original officers of this corporation shall be identical to those of the National Guard Association of Arkansas immediately prior to its incorporation and shall serve until their successors are elected and duly qualified. Thereafter, the officers of the corporation shall be elected at the annual meeting of the corporation by its members and shall serve for one (1) year or until their successors are elected and duly qualified. The duties, responsibilities, and functions of the officers of the corporation shall be specified in the By-Laws adopted by the Board of Directors or, as from time to time, specified by the Board of Directors.

ARTICLE IV

Meetings.

Section 1. There shall be an annual meeting of the members of the corporation at a time and place designated by the Board of Directors. At least sixty (60) days notice of such meeting shall be given to the members of the corporation. At each annual meeting a statistical and financial report of the corporation for the preceding year shall be presented by the President and Treasurer and a full financial

report of the corporation's affairs shall be made available. The election of directors and officers shall be conducted at the annual meeting.

Section 2. The corporation shall hold such other regular meetings as may be provided in its By-Laws.

Section 3. Special meetings may be called by the President or upon request of one-third of the members of the Board of Directors upon such notice as said President or such one-third of the Board of Directors may deem sufficient.

Section 4. Fifteen per cent (15%) of the members of the corporation shall constitute a quorum at any meeting of the association.

Section 5. The Board of Directors shall meet at least once every three months, at a time and place decided by it, and a special meeting of the Board of Directors may be called at any time by the President, or by 1/3 of the members of the Board of Directors. The Secretary-Treasurer shall notify each member of the Board of Directors by mail of the time and place of any meeting of the Board of Directors by giving notice thereof at least 30 days before such meeting date. Members of the Board of Directors appearing at a duly called meeting will constitute a quorum. Any action of the Board of Directors shall be valid if ratified by a majority vote of the quorum of the Board of Directors.

ARTICLE V

Principal Office and Agent for Service.

The principal office of the corporation shall be at 26th and Poplar Streets in North Little Rock, Arkansas, and its mailing address shall be P. O. Box _____, North Little Rock, Arkansas. The agent for service of process

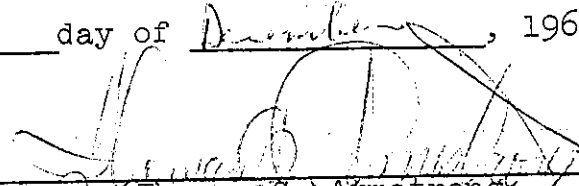
shall be James B. Usery, Jr., whose address is 26th and Poplar Streets, North Little Rock, Arkansas.

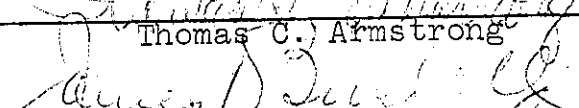
ARTICLE VI

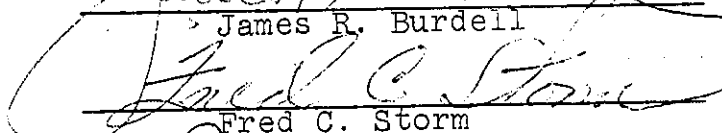
Amendments.

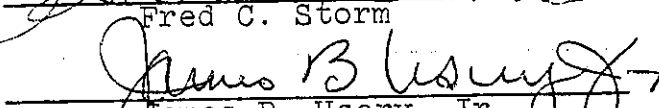
Section 1. The Articles may be altered or amended at any regularly constituted meeting of the corporation by a majority vote of the quorum. The Secretary-Treasurer shall mail the proposed amendments to the Articles to the membership of the corporation at least 30 days prior to the meeting at which action on such proposed amendments is to be taken.

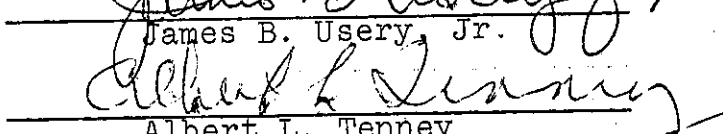
IN WITNESS WHEREOF, the undersigned hereby declare and certify that the statements, matters and things hereinabove set forth are true and have accordingly hereunto set their hands this 5th day of December, 1966.


Thomas C. Armstrong


James R. Burdell


Fred C. Storm


James B. Usery, Jr.


Albert L. Tenney

STATE OF ARKANSAS

COUNTY OF PULASKI

BE IT REMEMBERED that on this 5 day of December, 1966, personally came before me, the undersigned, a Notary Public within and for the State and County aforesaid, Thomas C. Armstrong, James R. Burdell, Fred C. Storm, James B. Usery, Jr. and Albert L. Tenney, parties to the foregoing Articles of Incorporation, known to me personally to be such and severally acknowledged the same to be the act and deed of the signers respectively and that the facts therein stated are truly set forth.

GIVEN under my hand and seal of office the day and year aforesaid.

Carol Brunak
Notary Public

My commission expires:

May 22, 1968

Appendix A: Units Represented by Board of Directors

JFHQ

Hq Det JFHQ
Det 30 Op Spt Airlift Cmd (OSA)
61st Civil Spt Detachment
Recruiting & Retention Command
Title 10

Medical Command

Army & Air National Guard Retired

Installation Support Unit (ISU)

ARNG Maneuver Training Center

National Guard Marksmanship Training Unit

233rd Regiment, Regional Training Institute

HHC 233rd RTI
1-233rd RTI
2-233rd RTI

77th Aviation Brigade

HHC 77th Avn Bde

1-114th S&S Bn

HHC 1-114th S&S Bn
Co A 1-114th S&S Bn
Co B 1-185th Avn
Co C 1-185th Avn

2-114th ATS

HHD 2-114th ATS
Co D 114th ATS
Co D 1-111th MEDEVAC
Det 1 449th AVIM

87th Troop Command

Hq 87th Trp Cmd

25th ROC

871st Troop Command

119th Mobile PAD
106th Army Band
296th Med Co
1123rd Trans Co (-)
Det 1 1123rd Trans Co
216th MP Co (-)
Det 1 216th MP Co
213th Med Co (-)
Det 1 213th Med Co
224th Maint Co (-)
Det 1 224th Maint Co

875th Engineer Battalion

HHC 875th Engr Bn
Co A 875th Engr Bn
Co B (-) 875th Engr Bn
Det 1 Co B 875th Engr Bn
Co C 875th Engr Bn
1038th Horizontal Const Co
1037th Mobility Augmentation Co
1036th Sapper Co
1039th Sapper Co

142nd FIRES Brigade

HHC 142nd FIRES Bde
142nd Sig Co
Btry F 142nd FA (TAB)

1-142nd Field Artillery

HHSB 1-142nd FA
Btry A 1-142nd FA
Btry B 1-142nd FA
Btry C 1-142nd FA
1142nd Fwd Spt Co (-)
Det 1 1142nd Fwd Spt Co

2-142nd Field Artillery

HHSB 2-142nd FA
Btry A 2-142nd FA
Btry B 2-142nd FA
Btry C 2-142nd FA
937th Fwd Spt Co (-)
Det 1 937th Fwd Spt Co

217th Brigade Support Battalion

HHC 217th BSB
Co A (-) 217th BSB
Det 1 Co A 217th BSB
Co B 217th BSB

39th Infantry Brigade Combat Team

HHC (-) 39th IBCT
Det 1 HHC 39th IBCT

39th Brigade Support Battalion

HHC (-) 39th BSB
Co A (-) 39th BSB
Det 1 Co A 39th BSB
Det 2 Co A 39th BSB
Co B (-) 39th BSB
Co C (Med) 39th BSB

39th Brigade Troops Battalion

Co A 39th BTB
Co B 39th BTB
Co C 39th BTB

1-151st Cavalry Squadron

HHT (-) 1-151st Cav Sqdn
Det 1 HHT 1-151st Cav Sqdn
Trp A (-) 1-151st Cav Sqdn
Det 1 Trp A 1-151st Cav Sqdn
Trp B 1-151st Cav Sqdn
Trp C (-) 1-151st Cav Sqdn
Det 1 Trp C 1-151st Cav Sqdn
Co D 39th BSB (RSTA FSC)

1-153rd Infantry

HHC 1-153rd Inf
Co A (-) 1-153rd Inf
Det 1 Co A 1-153rd Inf
Co B (-) 1-153rd Inf
Det 1 Co B 1-153rd Inf
Co C (-) 1-153rd Inf
Det 1 Co C 1-153rd Inf
Co D 1-153rd Inf
Co E 39th BSB (1 Bn FSC)

2-153rd Infantry

HHC (-) 2-153rd Inf
Det 1 HHC 2-153rd Inf
Co A (-) 2-153rd Inf
Det 1 Co A 2-153rd Inf
Co B (-) 2-153rd Inf
Det 1 Co B 2-153rd Inf
Co C (-) 2-153rd Inf
Det 1 Co C 2-153rd Inf
Co D 2-153rd Inf
Co F (-) 39th BSB (2 Bn FSC)
Det 1 Co F 39th BSB (2 Bn FSC)

1-206th Field Artillery

HHB (-) 1-206th FA
Det 1 HHB 1-206th FA
Btry A (-) 1-206th FA
Det 1 Btry A 1-206th FA
Btry B (-) 1-206th FA
Det 1 Btry B 1-206th FA
Btry C 1-206th FA
Co G 39th BSB (FA FSC)

HQ Arkansas ANG

HQ Ark ANG
123rd Intelligence Squadron
154th Weather Flight

223rd Combat Communications Squadron**188th Fighter Wing**

HQ 188th Fighter Wing
188th Razorback Range
188th Operations Group
188th Operations Support Flight
188th Maintenance Group
188th Maintenance Squadron
188th Aircraft Maintenance Squadron
188th Maintenance Support Flight
188th Mission Support Group
188th Mission Support Flight
188th Logistics Readiness Squadron
188th Civil Engineer Squadron
188th Security Forces Squadron
188th Communications Flight
188th Services Flight
188th Medical Squadron
188th Student Flight

184th Fighter Squadron**189th Airlift Wing**

Hq 189th Airlift Wing
189th Operations Group
189th Operations Support Flight
189th Maintenance Group
189th Maintenance Squadron
189th Aircraft Maintenance Squadron
189th Maintenance Support Flight
189th Mission Support Group
189th Mission Support Flight
189th Logistics Readiness Squadron
189th Civil Engineer Squadron
189th Security Forces Squadron
189th Communications Flight
189th Services Flight
189th Aerial Port Flight
189th Medical Squadron
189th Student Flight

154th Training Squadron

Appendix B

IRS CODE 501c(19), VETERANS' ORGANIZATION

An organization of past or present members of the Armed Forces of the United States may be exempt from federal income tax. To qualify, you must show:

- That the organization is organized in the United States or any of its possessions.
- That at least 75 percent of the members are past or present members of the U.S. Armed Forces and that at least 97.5 percent of all members of the organization are past or present members of the U.S. Armed Forces, cadets (including only students in college or university ROTC programs or at armed service academies), or spouses, widows or widowers of any of those listed here.
- That no part of the net earnings inures to the benefit of any private shareholder or individual.

In addition to these requirements, a veterans' organization also must be operated exclusively for one or more of the following purposes:

- To promote the social welfare of the community (that is, to promote in some way the common good and general welfare of the people of the community).
- To assist disabled and needy war veterans and members of the U.S. Armed Forces and their dependents, and the widows and orphans of deceased veterans.
- To provide entertainment, care and assistance to hospitalized veterans or members of the U.S. Armed Forces.
- To carry on programs to perpetuate the memory of deceased veterans and members of the U.S. Armed Forces.
- To conduct programs for religious, charitable, scientific, literary or educational purposes.
- To sponsor or participate in activities of a patriotic nature.
- To provide insurance benefits for its members or dependents of its members or both.
- To provide social and recreational activities for its members.

An auxiliary unit or society of a veterans' organization may apply for recognition of exemption provided that the veterans organization (parent organization) meets the requirements explained earlier in this section and that the auxiliary unit or society meets the following additional requirements:

- It is affiliated with, and organized in accordance with, the bylaws and regulations formulated by the parent organization.
- At least 75 percent of its members are either past or present members of the U.S. Armed Forces, or are spouses of those members, or are related to a member of such organization within two degrees of kinship.
- No part of the net earnings inures to the benefit of any private shareholder or individual.

Trusts or foundations for a veterans' organization also may apply for recognition of exemption provided the parent organization meets the requirements explained earlier and that the trust or foundation meets the following qualifications:

- The trust or foundation is in existence under local law and, if it is organized for charitable purposes, has a dissolution provision similar to charitable organizations.
- The corpus of income cannot be diverted or used other than for:
 - 1) The funding of a veterans organization described in this section;

- 2) Religious, charitable, scientific, literary or educational purposes or for the prevention of cruelty to children or animals; or
- 3) An insurance set aside.
- The trust income is not unreasonably accumulated and, if the trust or foundation is not an insurance set aside, a substantial portion of the income is in fact distributed to the parent organization or for the purposes described in item (2)(b).
- It is organized exclusively for one or more of the purposes listed earlier in this section that are specifically applicable to the parent organization.

Donations to war veterans' organizations are deductible as charitable contributions on the donor's federal income tax return. At least 90 percent of the organization's membership must consist of war veterans. The term "war veterans" means persons, whether or not present members of the U.S. Armed Forces, who have served in the U.S. Armed Forces during a period of war (including the Korean and Vietnam Conflicts).



June 1, 2010

Rosalind Minor
Arkansas Department of Insurance
1200 West 3rd Street
Little Rock, AR 72201-1904

**Re: Continental American Insurance Company NAIC#71730 FEIN 57-0514130
National Guard Association of Arkansas, Inc.**

Enclosed: Bylaws and Articles of Incorporation

Forms:

CAI77000AR-NGAA

Group Master Policy

CAI77001AR-NGAA

Certificate of Insurance

CAI7710-NGAA

Master Application

CA-2006-ACC-NGAA

Enrollment Application

CAI7722AR-NGAA

Dependent Accident Rider

Dear Ms. Minor:

We are submitting a revised master policy & certificate. The ones previously uploaded had the incorrect language for an association under the Portability provision. Instead of "membership" we used the word "employment." We have corrected this error in these forms. I certify this is the only revision made to the forms.

We apologize for any inconvenience this may have caused. Thank you for your consideration in this matter. If you have any questions please contact Cindy Lama at 1-888-730-2244, ext. 4333 or at companycompliance@caicworksite.com.

Sincerely,

James J. Hennessy, AIRC, ACP, CCP
Vice President, Compliance
/clc

<i>SERFF Tracking Number:</i>	<i>CAIC-126646101</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Continental American Insurance Company</i>	<i>State Tracking Number:</i>	<i>45782</i>
<i>Company Tracking Number:</i>	<i>7639</i>		
<i>TOI:</i>	<i>H02G Group Health - Accident Only</i>	<i>Sub-TOI:</i>	<i>H02G.000 Health - Accident Only</i>
<i>Product Name:</i>	<i>NGAA Accident Advantage</i>		
<i>Project Name/Number:</i>	<i>NGAA Accident Advantage/7639</i>		

Superseded Schedule Items

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Creation Date:	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
05/26/2010	Form	Group Master Policy	06/01/2010	1 CAI77000AR-NGAA Policy.pdf (Superseded)
05/26/2010	Form	Certificate of Insurance	06/01/2010	2 CAI77001AR-NGAA Cert.pdf (Superseded)
05/26/2010	Form	Master Application	05/26/2010	3 CAI7710-NGAA MA.pdf (Superseded)
05/26/2010	Form	Enrollment Application	05/26/2010	4 CA-2006-ACC-NGAA.pdf (Superseded)



CONTINENTAL AMERICAN INSURANCE COMPANY

2801 Devine Street, Columbia, South Carolina 29205
800-433-3036

Based on the application for this Group Accidental Injury Insurance Policy (herein called the Plan) made by

NATIONAL GUARD ASSOCIATION OF ARKANSAS, INC.
(herein called the Policyholder)

and based on the payment of the premium when due, Continental American agrees to pay the benefits provided on the following pages.

This Plan becomes effective at 12:01 a.m. Standard Time at the policyholder's address on the Effective Date shown below. It may be continued in effect by the payment of premiums as provided in Section II. The Plan will terminate as provided in the provision titled "Termination of the Plan" in Section I.

The first anniversary of this Plan will be the Anniversary Date shown below. Subsequent anniversaries of the Plan will be the same date each year thereafter.

All matter printed or written by Continental American on the following pages forms a part of this Plan as if recited over the signatures below. This Plan is a legal contract between Continental American and the Policyholder.

This Plan is delivered in and is governed by the laws of the jurisdiction shown below.

In witness whereof Continental American has caused this Plan to be executed at its Home Office in Columbia, South Carolina on the Effective Date.

READ YOUR POLICY CAREFULLY.
Signed for the Company at its Home Office.

A handwritten signature in black ink, appearing to read "Eugene C. Smith".

President

Countersigned By _____

Group Policy Number- 1234
Effective Date - January 1, 2003
Anniversary Date - January 1, 2004
Jurisdiction - Arkansas
Non-Participating

ANY CERTIFICATES ISSUED IN THE STATE OF ARKANSAS ARE GOVERNED BY THE STATE OF ARKANSAS.

GROUP POLICY PROVISIONS

SECTION I	-	Eligibility, Effective Date and Termination
SECTION II	-	Premium Provisions
SECTION III	-	Definitions
SECTION IV	-	Benefit Provisions
SECTION V	-	Limitations and Exclusions
SECTION VI	-	Claim Provisions
SECTION VII	-	General Provisions
SECTION VIII	-	Benefit Schedule
SECTION IX	-	Occupational Classifications and Schedule of Premiums
SECTION X	-	Incorporation of Rider Provisions

SECTION I ELIGIBILITY, EFFECTIVE DATE AND TERMINATION

ELIGIBILITY

Member as used in this Plan, means a person insured under this Plan:

1. who is a Member of the Policyholder;
2. who is under age [70]; and
3. who is engaged in full-time work; and
4. who is included in the class of Members eligible for coverage as shown on the Application.

EFFECTIVE DATE

The Effective Date of this Plan is shown on Page 1.

The Effective Date for a Member is as follows:

1. A Member's insurance will be effective on the date shown on the Certificate Schedule provided the Member is then actively at work.
2. If a Member is not actively at work on the date coverage would otherwise become effective, the Effective Date of his or her coverage will be the date on which such Member is first thereafter actively at work.

TERMINATION OF THE PLAN

The Plan will cease if the policyholder fails to pay the premium before the end of the Grace Period.

After the end of the [first] Plan year, Continental American has the right to cancel the Plan on the day prior to the date any premium is due by giving 31 days written notice.

The Plan will terminate when the number of participating Members is less than the number mutually agreed upon by the Policyholder and Continental American in writing.

In these events, this Plan and all certificates issued hereunder will terminate on such date at 12:01 A.M. Standard Time at the Policyholder's address. This will be without prejudice to the rights of any Member as respects any claim arising during the period the Plan is in force.

The Policyholder has the sole responsibility to notify Members of such termination.

TERMINATION OF A MEMBER'S INSURANCE

A Member's insurance will terminate on the earliest of:

1. the date the Plan is terminated;
2. on the 31st day after the premium due date if the required premium has not been paid;
3. on the date a Member ceases to meet the definition of a Member as defined in the Plan;
4. on the premium due date which falls on or first follows the Member's [70th] birthday; or
5. on the date he or she is no longer a member of the class eligible.

Termination of the insurance on any Member shall be without prejudice to his or her rights as regarding any claim arising prior thereto.

[PORTABILITY PRIVILEGE]

When coverage would otherwise terminate under this Plan because a Member ends employment with the Policyholder, he may elect to continue his coverage. The coverage he may continue is that which he had on the date his employment terminated, including dependent coverage then in effect.

1. Coverage may not be continued for any of the following reasons:
 - a. the Member failed to pay any required premium;
 - b. [the Member having attained age 70;
 - c.]this Group Policy terminates.
2. To keep his insurance in force a Member must:
 - a. make written application to the Company within 31 days after the date insurance would otherwise terminate; and
 - b. pay the required premium to the Company no later than 31 days after the date insurance would otherwise terminate.
3. Insurance will cease [on the earliest of these dates:
 - a.]the date the Member fails to pay any required premium;[
 - b. the date this Group Policy is terminated].

[In the event the Policyholder's cancels coverage or the Plan is closed for new enrollments, the Policy will remain in effect for the benefit of those who have continued their coverage under the portability provision prior to the policy cancellation date.]

[Portability will remain available during the notification period prior to the cancellation date of the coverage.]

If a Member qualifies for this Portability Privilege as described, then the same benefits, Plan provisions, and premium rate as shown in the Plan/certificate as previously issued will apply.]

SECTION II

PREMIUM PROVISIONS

PREMIUM CALCULATIONS

Premiums payable on any premium due date for insurance on Members will be calculated in accordance with the Schedule of Premiums. The rates shown in this schedule can be changed [annually]. Continental American will give the Policyholder written notice 31 days prior to the date any change in rates is to be effective.

PREMIUM PAYMENTS

The first premiums are due on the Effective Date of this Plan. After that, premiums are due on the first day of each month that the Plan remains in effect.

Aggregate premiums for this Plan are to be paid by the Policyholder to Continental American at our Home Office in Columbia, South Carolina. Payment of any premium will not keep the Plan in force beyond the due date of the next premium, except as set forth in the Grace Period.

GRACE PERIOD

This Plan has a 31 day Grace Period. This means that if a renewal premium is not paid on or before the date it is due, it may be paid during the next 31 days. During the Grace Period, the Plan will stay in force, unless the Policyholder has given Continental American written notice of discontinuance of the Plan.

SECTION III DEFINITIONS

When the terms below are used in this Plan, the following definitions will apply:

We, Us, Our - means Continental American Insurance Company.

You and Your - refer to a Member as defined in this Plan.

Accidental Injury or Injuries - means bodily injury or injuries caused solely by or as the result of a covered accident.

Covered Accident - means an accident which occurs on or after your Effective Date, while your certificate is in force and which is not specifically excluded.

Doctor or Physician - means a person, other than yourself or a member of your immediate family, who:

1. is licensed by the state to practice a healing art;
2. performs services which are allowed by his or her license; and
3. performs services for which benefits are provided by this Plan.

Under the Fractures and Dislocations Benefit, a doctor means a person, other than yourself or a member of your immediate family, who is licensed by the state to practice medicine or osteopathy.

Hospital - means a place which:

1. is legally licensed and operated as a hospital;
2. provides overnight care of injured and sick people;
3. is supervised by a doctor;
4. has full-time nurses supervised by a registered nurse;
5. has on-site or pre-arranged use of X-ray equipment, laboratory and surgical facilities; and
6. maintains permanent medical history records.

A hospital is not:

1. a nursing home;
2. an extended care facility;
3. a convalescent home;
4. a rest home or a home for the aged;
5. a place for alcoholics or drug addicts; or
6. a mental institution.

Hospital Intensive Care Unit - means a specifically designed facility of the hospital that provides the highest level of medical care which is restricted to those patients who are critically ill or injured. Such facilities must be separate and apart from the surgical recovery room and from rooms, beds, and wards customarily used for patient confinement. They must be permanently equipped with special life-saving equipment for the care of the critically ill or injured. They must be under constant and continuous observation by nursing staffs assigned on a full-time basis, exclusively to the Intensive Care Unit.

Immediate Family - means your spouse, son, daughter, mother, father, sister or brother.

Your Occupation - means the occupation in which you are regularly engaged at the time you become disabled.

Actively at Work - to be considered actively at work, you must perform for a full normal workday the regular duties of your employment at the regular place of business of the Policyholder or at a location to which you may be required to travel to perform the regular duties of your employment.

Full-Time Work - means spending at least [30] hours per week performing your occupational duties.

Treatment or Medical Treatment - means consultation, care or services provided by a physician including diagnostic measures and taking prescribed drugs and medicines.

Elimination Period - means the number of days of hospital confinement that must elapse before benefits become payable. The number of days is shown in the Benefit Schedule. Benefits are not payable, nor do they accrue during an Elimination Period.

[ON-JOB BENEFITS - On-job benefits means the benefits we will pay if a covered accident occurs while you are working at any job for pay or benefits.]

[OFF-JOB BENEFITS - Off-job benefits means the benefits we will pay if a covered accident occurs while you are not working at any job for pay or benefits.]

SECTION IV BENEFIT PROVISIONS

The benefit amounts payable under this section are shown in the Benefit Schedules. Coverage terminates on the premium due date which falls on or first follows your [70th] birthday; at that time all benefits cease regardless of the maximum benefit period.

FRACTURES

Fractures - A fracture is a break in a bone which can be seen by x-ray you fracture a bone in a covered accident, and it is diagnosed and treated by a physician within 90 days after the accident, we will pay the appropriate amount shown in the Benefit Schedule.

If the fracture requires open reduction, we will pay [150%] of the amount shown in the Benefit Schedule.

Multiple Fractures - If more than one fracture requiring either open or closed reduction occurs in any one covered accident, we will pay the amounts shown in the Benefit Schedule for each fracture. However, we will pay no more than [150%] of the benefit amount for the bone fractured which has the higher dollar value.

Chip Fracture - A chip fracture is a piece of bone which is completely broken off near a joint. If a physician diagnoses the fracture as a chip fracture, we will pay 10% of the amount shown in the Benefit Schedule for the affected bone.

DISLOCATIONS

Dislocation - A dislocation is a completely separated joint. If you dislocate a joint in a covered accident, and it is diagnosed and treated by a physician within 90 days after the accident, we will pay the amount shown in the Benefit Schedule.

If the dislocation requires open reduction, we will pay [150%] of the amount shown in the Benefit Schedule.

We will pay benefits only for the first dislocation of a joint. We will not pay for recurring dislocations of the same joint. If you dislocated a joint before the Effective Date of this Certificate and you dislocate the same joint again, it will not be covered by this Certificate.

Multiple Dislocations - If more than one dislocation requiring either open or closed reduction occurs in any one covered accident, we will pay the amounts shown in the Benefit Schedule for each dislocation. However, we will pay no more than [150%] of the benefit amount for the joint dislocated which has the higher dollar value.

Partial Dislocation - A partial dislocation is one in which the joint is not completely separated. If a physician diagnoses and treats the accidental injury as a partial dislocation, we will pay 25% of the amount shown in the Benefit Schedule for the affected joint.

Fracture and Dislocation - If you fracture a bone and dislocate a joint in the same accident, we will pay for both. However, we will pay no more than [150%] of the benefit amount for the bone fractured or joint dislocated which has the higher dollar value.

LACERATIONS

Lacerations - If you receive laceration in a covered accident and the laceration is repaired with stitches by a physician within 72 hours after the accident, we will pay the appropriate amount shown in the Benefit Schedule. The amount paid will be based on the length of the laceration.

If you receive a laceration in a covered accident and the laceration does not require stitches but is treated by a physician within 72 after the accident, we will pay the appropriate amount shown in the Benefit Schedule.

If you suffer multiple lacerations in a covered accident and the lacerations are repaired with stitches by a physician within 72 hours after the accident, we will pay this benefit based on the largest single laceration which requires stitches, as shown in the Benefit Schedule.

CONCUSSIONS

Concussions - If you are injured in a covered accident and the injury causes you to have a concussion, we will pay this benefit in the amount shown in the Benefit Schedule. Concussion means a head injury resulting in electroencephalogram abnormality.

COMA

Coma - If you suffer a coma lasting 30 days or more as the result of a covered accident, we will pay this benefit as shown in the Benefit Schedule. Coma means a state of profound unconsciousness caused by a covered accident.

EMERGENCY DENTAL WORK

Emergency Dental Work - We will pay this benefit if you receive an injury to sound natural teeth as the result of a covered accident. We will pay for repair with a crown or for extraction as shown in the Benefit Schedule.

INJURIES REQUIRING SURGERY

Eye Injuries - If you injure an eye in a covered accident and surgical repair is performed by a physician within 90 days after the accident, we will pay the amount shown in the Benefit Schedule. If a physician removes a foreign body from your eye, with or without anesthesia, we will pay the amount shown in the Benefit Schedule.

Tendons and Ligaments - If you tear, sever or rupture a tendon or ligament in a covered accident, receive treatment from a physician within 60 days, and have surgical repair within 90 days after the accident, we will pay the appropriate amount shown in the Benefit Schedule. The amount paid will be based on the number (single or multiple) of tendons or ligaments repaired.

If you are in a covered accident and fracture a bone or dislocate a joint, and tear, sever or rupture a tendon or ligament, we will pay only one benefit. We will pay the largest of the fracture benefit, the dislocation benefit, or the tendon and ligament benefit.

Ruptured Disc - If you rupture a disc in your spine in a covered accident, receive treatment from a physician within 60 days after the accident and have surgical repair by a physician within one year after the accident, we will pay the appropriate amount shown in the Benefit Schedule. The amount paid will be based on when the accident occurred.

Torn Knee Cartilage - We will pay this benefit in the amount shown in the Benefit Schedule if you are injured in a covered accident and:

1. Accidental injuries result in torn knee cartilage;
2. Such injury requires treatment by a physician within 60 days from the date of the covered accident; and
3. Such injury requires repair by surgical operation within one year from the date of the covered accident.

The amount paid will be based on when the accident occurred.

Internal Injuries - We will pay this benefit as shown in the Benefits Schedule if you have internal injuries as the result of a covered accident which results in open abdominal or thoracic surgery.

Exploratory Surgery - If as the result of an injury in a covered accident you have exploratory surgery (without repair), we will pay the amount shown on the Benefit Schedule.

PARALYSIS

Paralysis - Paralysis means the permanent loss of movement of two or more limbs. If you are injured in a covered accident and the injury causes paralysis which lasts more than 90 days and is diagnosed by a physician within 90 days after the accident, we will pay the appropriate amount shown in the Benefit Schedule. The amount paid will be based on the number of limbs paralyzed.

If this benefit is paid and you later die as a result of the same covered accident, we will pay the appropriate Death Benefit, less any amounts paid under the Paralysis Benefit.

BURNS

Burns - If you are burned in a covered accident and are treated by a physician within 72 hours after the accident, we will pay the burn benefit shown in the Benefit Schedule according to the percentage of body surface burned.

First degree burns are not covered.

SERVICES

Blood/Plasma - If you are injured in a covered accident and receive blood or plasma as a result of the injury within 90 days after the accident, we will pay the amount shown in the Benefit Schedule.

Ambulance - If you are injured in a covered accident and require transportation to a hospital by a professional ambulance service (including "air ambulance" service) within 90 days after the accident, we will pay the appropriate amount shown in the Benefit Schedule.

Transportation - We will pay this benefit if you are injured in a covered accident and the injury causes the attending physician to recommend hospital treatment or diagnostic study which is not available in your city of residence. We will pay the applicable amount shown in the Benefit Schedule for transportation by train, plane, or bus for each covered accident. Use of such transportation must begin within 90 days from the date of the covered accident. The distance to the location of the hospital treatment or diagnostic study must be greater than 50 miles from your residence.

Family Member Lodging - We will pay this benefit in amount and for the number of days shown in the Benefit Schedule, for each night's lodging in a motel/hotel room for an adult member of your immediate family when you are confined to a hospital for treatment of an injury due to a covered accident. The Hospital and motel/hotel must be more than 100 miles from your residence. The treatment must be prescribed by your local physician.

Medical Fees - If you are injured in a covered accident and receive treatment within one year after the accident, we will pay the amount shown in the Benefit Schedule for:

1. emergency room services and supplies;
2. X-rays;
3. physician services.

We will pay for these services up to the total amount shown for medical fees in the Benefit Schedule, for each covered accident.

This benefit is payable if you received initial treatment within 60 days after the accident.

Prosthesis - We will pay the amount shown in the Benefit Schedule for each prosthetic device you use as the result of an injury received in a covered accident. Hearing aids, wigs, or dental aids including but not limited to false teeth are not covered.

Appliances - If you are advised by a physician to use a medical appliance as an aid in personal locomotion as the result of an injury received in a covered accident, we will pay the amount shown in the Benefit Schedule. Medical appliance means crutches, wheelchairs, leg braces, back braces and walkers.

Accident Follow-up Treatment - We will pay this benefit when you receive follow-up treatment for an injury received as a result of a covered accident. We will pay for a maximum of 6 (six) treatments per covered accident. You must have received initial treatment within 72 hours of a covered accident and follow-up treatment must begin within 30 days of the covered accident or discharge from the hospital.

Physical Therapy - If you are injured in a covered accident and that injury requires physical therapy, we will pay this benefit for a maximum of six physical therapy sessions per covered accident. You must have received initial treatment for the injury within 72 hours of the covered accident and physical therapy must begin within 30 days of the covered accident or discharge from the hospital. Treatment must take place within 6 months after the accident. We will not pay this benefit for the same visit that the Accident Follow-up Treatment benefit is paid.

[**Wellness** - After premiums have been paid for 12 months and while your coverage is in force, we will pay the amount shown in the Benefit Schedule for annual physical exams, mammograms, pap smears, eye examinations, immunizations, flexible sigmoidoscopy, PAS tests, ultrasounds and blood screening. This benefit is payable once each 12-month period.]

HOSPITAL BENEFITS

Hospital Admission - We will pay this benefit when you are injured in a covered accident and the injury requires hospital confinement as a resident bed patient within 6 months of the date of the accident.

We will pay the Hospital Admission benefit amount shown in the Benefit Schedule. We will not pay this benefit for confinement to an observation unit, or for emergency room treatment or outpatient treatment.

We will pay this benefit once per calendar year.

Hospital Confinement - If you are injured in a covered accident and the injury causes you to be confined to a hospital within 90 days after the accident, we will pay the amount shown in the Benefit Schedule, subject to the elimination period if any, for each day that you are confined to a hospital. The length of time shown for hospital confinement in the Benefit Schedule is the maximum period for which you can collect benefits for hospital confinements resulting from the same injury.

This benefit is payable once per hospital confinement even if the confinement is caused by more than one accidental injury.

Hospital Intensive Care - If you are injured in a covered accident and the injury causes you to be confined to a hospital intensive care unit, we will pay this benefit in amount and for the number of days shown in the Benefit Schedule per covered accident. This benefit is payable in addition to the Hospital Confinement benefit above.

DISMEMBERMENT

Dismemberment - If you are injured in a covered accident and the injury causes loss of a hand, foot or sight within 90 days after the accident, we will pay the amount shown in the Benefit Schedule.

If you lose one hand, foot or the sight of one eye in a covered accident, we will pay the single loss benefit shown in the Benefit Schedule.

If you lose both hands, feet, the sight of both eyes or a combination of any two, we will pay the double loss benefit shown in the Benefit Schedule.

If you lose one or more finger or toe in a covered accident, we will pay the finger/toe benefit shown in the Benefit Schedule.

Dismemberment means:

1. **Loss of a hand:** the hand is cut off at or above the wrist joint; or
2. **Loss of a foot:** the foot is cut off at or above the ankle; or
3. **Loss of sight:** at least 80% of the vision in one eye is lost. Such loss of sight must be permanent and irrecoverable or
4. **Loss of a finger/toe:** the finger or toe is cut off at or above the joint where it is attached to the hand or foot.

If you do not qualify for the Dismemberment Benefit but lose at least one joint of a finger or toe, we will pay the Partial Dismemberment shown in the Benefit Schedule.

If this benefit is paid and you later die as a result of the same covered accident, we will pay the appropriate death benefit, less any amounts paid under this benefit.

ACCIDENTAL DEATH

Accidental Death - If you are injured in a covered accident and the injury causes you to die within 90 days after the accident, we will pay the Accidental Death Benefit shown in the Benefit Schedule. If the Accidental Death Benefit is paid, we will not pay the Accidental Common Carrier Death Benefit.

Accidental Common Carrier Death - If you are injured in a covered accident and the injury causes you to die within 90 days after the accident, we will pay the Accidental Common Carrier Death Benefit in the amount shown in the Benefit Schedule if the injury is the result of traveling as a fare-paying passenger on a common carrier, as defined below.

Common carrier means:

1. an airline carrier which is licensed by the United States Federal Aviation Administration and operated by a licensed pilot on a regular schedule between established airports;
2. a railroad train which is licensed and operated for passenger service only; or
3. a boat or ship which is licensed for passenger service and operated on a regular schedule between established ports.

If the Accidental Common Carrier Death Benefit is paid, we will not pay the Accidental Death Benefit.

SECTION V

LIMITATIONS AND EXCLUSIONS

PRE-EXISTING CONDITION LIMITATION

PRE-EXISTING CONDITION - Pre-existing Condition means within the 12-month period prior to the Effective Date of the Certificate and attached Riders, as applicable, those conditions for which:

1. Medical advice or treatment was received or recommended; or
2. The existence of symptoms which would cause an ordinarily prudent person to seek diagnosis, care, or treatment.

We will not pay benefits for any loss or injury which is caused by, contributed to by, or resulting from a pre-existing condition for 12 months after the Effective Date of the Certificate and attached riders, as applicable.

A claim for benefits for loss starting after 12 months from the Effective Date of a certificate and attached riders, as applicable, will not be reduced or denied on the grounds that it is caused by a pre-existing condition.

[This certificate may have been issued as a replacement for a certificate previously issued to you under the Plan. If so, then the pre-existing condition limitation provision of the Member's certificate applies only to any increase in benefits over the prior certificate. Any remaining period of pre-existing condition limitation of the prior certificate would continue to apply to the prior level of benefits.]

EXCLUSIONS

We will not pay benefits for loss caused by pre-existing conditions (except as stated in the previous provision).

We will not pay benefits for loss, injury, or death contributed to, caused by, or resulting from:

1. **Suicide** - committing or attempting to commit suicide, while sane or insane.
2. **Sickness** - having any disease or bodily/mental illness or degenerative process. We also will not pay benefits for any related medical/surgical treatment or diagnostic procedures for such illness.
3. **Self-Inflicted Injuries** - injuring or attempting to injure yourself intentionally.
4. **Racing** - Riding in or driving any motor-driven vehicle in a race, stunt show or speed test.
5. **Aviation** - operating, learning to operate, serving as a crew member on, or jumping or falling from any aircraft, including those which are not motor-driven.

6. **Intoxication** - being legally intoxicated, or being under the influence of any narcotic, unless such is taken under the direction of a physician.
7. **Illegal Acts** - participating or attempting to participate in an illegal activity, or working at an illegal job.
8. **Sports** - participating in any organized sport: professional or semi-professional.
9. **Driving** - driving any taxi or intrastate or interstate long-distance vehicle for wage, compensation or profit.
10. **Avocations** - mountaineering using ropes and/or other equipment, parachuting or hand-gliding.
11. **Cosmetic Surgery** - having cosmetic surgery or other elective procedures that are not medically necessary or having dental treatment except as a result of covered accident.
12. [an injury arising from any employment;]
13. [injury or sickness covered by Worker's Compensation;]

SECTION VI CLAIM PROVISIONS

Notice of Claim - Written notice of claim must be given within 60 days after the covered accident or as soon as reasonably possible. The notice must be sent to us at our Home Office in Columbia, South Carolina. The notice should include the name of the Insured and the Certificate number.

Claim Forms - When we receive notice of a claim, we will send you the forms for filing proof of loss. If these forms are not sent to you within 15 working days, you will meet the proof of loss requirements by giving us a written statement of the nature and extent of the loss within the time limit stated on the Proof of Loss Section.

Proof of Loss - You must give us written proof within 90 days after the loss for which you are seeking benefits. If it is not reasonably possible to give written proof in the time required, we shall not reduce or deny the claim for this reason if the proof is filed as soon as reasonably possible. In any event, the proof required must be given no later than one year from the covered accident unless you were legally incapacitated during that time.

Time of Payment of Claims: After we receive written proof of loss and process your claim, we will pay monthly all benefits then due for the claims providing a periodic payment. Benefits for any other loss covered by this Plan will be paid as soon as we receive proper written proof.

Payment Of Claims - Benefits will be paid to you. All of the benefits due will be paid to you unless you assign them elsewhere. Any benefits unpaid at the time of your death will be paid in the following order:

1. to any approved assignee;
2. your beneficiary;
3. your surviving spouse;
4. your estate.

Changing Your Beneficiary - You can ask us to change your beneficiary at any time. The request must be in writing and the change must be approved by us. If approved, it will go into effect the day you sign the request. The change will not have any bearing on payments made before we approved the request.

Unpaid Premium - When a claim is paid, any premium due and unpaid may be deducted from the claim payment.

Physical Examination And Autopsy - At our expense, we can require you to have a physical examination as often as reasonably necessary while a claim is pending, or an autopsy in the case of death, where allowed by law. This will be done at our expense.

Legal Action - You cannot take legal action against us for benefits under this Plan:

1. within 60 days after you have sent us written proof of loss; or
2. more than 6 years from the time written proof is required to be given.

SECTION VII GENERAL PROVISIONS

Entire Contract - The entire contract consists of:

1. the Plan;
2. the Application of the Policyholder; and
3. if applicable, your Application(s).

All statements made in such Application(s) shall, in the absence of fraud, be deemed representations and not warranties. No statement will be used in defense of a claim under this Plan unless:

- a. the statement is in writing signed by the Policyholder or by you; and
- b. a copy of that statement is given to the Policyholder or to you or to your beneficiary.

Contract Changes - No change in this Plan is valid unless approved by our Home Office and unless such approval is endorsed by an officer and attached to this Plan. No agent has the authority to change this Plan or to waive any of its provisions.

Misstatements of Age - If you incorrectly stated your age or the ages of your dependents, if any, in the Application, the benefits will be such as the premium paid would have purchased at the correct age. If, based on the correct ages, we would not have issued your Certificate or insured certain dependents under this Certificate, then our responsibility will be to refund the excess premium paid, if any.

Time Limit On Certain Defenses - After this Plan has been in force for two years as respects a Member, only fraudulent misstatements in the application of that Member may be used to void his or her coverage or to deny any claim for loss incurred or disability that starts after the two-year period.

Clerical Error- Clerical error by the Policyholder will not end coverage or continue terminated coverage. In the event of such clerical error, a premium adjustment will be made.

Individual Certificate - Continental American will give the Policyholder a Certificate for each Member. The Certificate will set forth:

1. the coverage;
2. to whom benefits will be paid; and
3. the rights and privileges under the Plan.

Data Required - The Policyholder will furnish all information and proofs which Continental American may reasonably require with regard to the Plan.

Conformity With State Statutes - Any provision of this Plan which, on the Effective Date, is in conflict with the laws of the state in which the Plan was issued, will be amended to conform to the minimum requirements of those laws.

If we at Continental American Insurance Company fail to provide you with reasonable and adequate service, you should feel free to contact:

Arkansas Insurance Department
1200 West Third Street
Little Rock, AR 72201-1904
(501) 371-2640 or 1 (800) 852-5494

SECTION VIII**BENEFIT SCHEDULE****FRACTURES**

Hip/thigh	\$4,500
Vertebrae	4,050
Pelvis	3,600
Skull (depressed)	3,375
Skull (simple)	1,575
Leg	2,700
Foot/ankle/knee cap	2,250
Forearm/hand	2,250
Lower jaw	1,800
Shoulder blade/collar bone	1,800
Upper arm/upper jaw	1,575
Facial bones (except teeth)	1,350
Vertebral processes	900
Coccyx/rib/finger/toe	360

DISLOCATIONS

Hip	3,600
Knee (not knee cap)	2,600
Shoulder	2,000
Foot/ankle	1,600
Hand	1,400
Lower jaw	1,200
Wrist	1,000
Elbow	800
Finger/toe	320

LACERATIONS

Over 6"	400
2" to 6"	200
Under 2"	50

Lacerations not requiring stitches	25
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CONCUSSIONS	200
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COMA	10,000
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EMERGENCY DENTAL WORK

Repair with crown	150
Extraction	50

INJURIES REQUIRING SURGERY**Eye injuries**

Requiring surgical repair	250
Removal of foreign body	50

Tendons/ligaments

Single	400
Multiple	600

Ruptured disc

Date of injury occurs during
first certificate year 100

Date of injury occurs after
first certificate year 400

Torn knee cartilage

Date of injury occurs during
first certificate year 100

Date of injury occurs after
first certificate year 400

Internal Injuries 1,000

Exploratory Surgery (without repair) 250

PARALYSIS

Four limbs (quadriplegia) 10,000

Two limbs (paraplegia) 5,000

BURNS**Second Degree**

Less than 10% 100

At least 10% but less than 25% 200

At least 25% but less than 35% 500

35% or more 1,000

Third Degree

Less than 10% 500

At least 10% but less than 25% 3,000

At least 25% but less than 35% 7,000

35% or more 10,000

SERVICES

Blood/plasma 100

Ambulance 100

Air ambulance 500

Transportation

Train or Plane 300

Bus 150

Family Member Lodging 100/per night

Maximum Benefit - 30 days

Medical fees

Maximum per accident 125

Prosthesis 500

Appliances	100
Accident Follow-up Treatment	25
Maximum of 6 treatments per covered accident	
Physical Therapy	25
Maximum of 6 treatments per covered accident	
Wellness	60
Once per 12-month period	
HOSPITAL ADMISSION	\$1,000
Payable once per calendar year	
HOSPITAL CONFINEMENT	\$200 /day
Maximum Benefit - 365 days	
0 Day elimination Period	
HOSPITAL INTENSIVE CARE	\$400 /day
Maximum Benefit - 30 days	
0 Day elimination Period	
ACCIDENTAL DISMEMBERMENT	
Loss of hand, foot or sight	
Single loss	6,250
Double loss	25,000
Loss of one or more finger or toe	1,250
Partial Amputation of finger or toe	100
ACCIDENTAL DEATH	50,000
ACCIDENTAL COMMON CARRIER DEATH	100,000

SECTION IX

OCCUPATIONAL CLASSIFICATIONS AND SCHEDULE OF PREMIUMS

EXPLANATION OF OCCUPATION CLASSES (Member)

CLASS AAA

Managers, Supervisors and Clerical Members

SCHEDULE OF PREMIUMS

ACCIDENT (Member)

The tables below show the premiums applicable to the Plan on the Effective Date.

SCHEDULE OF PREMIUMS

DEPENDENT ACCIDENT RIDER

The table(s) below show the premiums applicable to the Plan on the Effective Date.

MONTHLY PREMIUMS

ALL RIDER BENEFITS

Spouse Only - Ages 18-69
Children Only
Family

SECTION X INCORPORATION OF RIDER PROVISIONS

The attached listed Certificate Riders are made a part of this Policy.

INCORPORATED RIDERS

RIDER NAME	FORM NUMBER
Dependent Accident Rider	CAI7722AR-NGAA



CONTINENTAL AMERICAN INSURANCE COMPANY

2801 Devine Street, Columbia, South Carolina 29205
800-433-3036

CERTIFICATE OF INSURANCE FOR ACCIDENTAL INJURY POLICY

THIS IS AN ACCIDENT ONLY COVERAGE
AND DOES NOT PAY BENEFITS FOR LOSS FROM SICKNESS

(COVERAGE FOR SICKNESS MAY BE INCLUDED IN A SEPARATE RIDER,
REQUIRING ADDITIONAL PREMIUMS.)

PLEASE READ YOUR CERTIFICATE CAREFULLY

CERTIFICATE INDEX

Definitions	Section I
Premiums and Individual Terminations	Section II
Benefits	Section III
Limitations and Exclusions	Section IV
Claim Provisions	Section V
General Provisions	Section VI
Benefit Schedule	Section VII
Certificate Schedule	Section VIII

We certify that you are insured under the Accidental Injury Policy (herein called the Plan) issued to your Policyholder, the Policyholder, subject to the definitions, exclusions and other provisions of the Plan against loss resulting from accidental injury.

Certain provisions of the Plan are summarized in this Certificate. All provisions of the Plan, whether contained in your Certificate or not, apply to the insurance referred to by the Certificate.

The Effective Date of your Certificate is as shown in the Certificate Schedule if you are on that date actively at work for the Policyholder. If not, this Certificate will become effective on the next date you are actively at work as an eligible Member. This Certificate will remain in effect for the period for which the premium has been paid. This Certificate may be continued for further periods as stated in the Plan.

This Certificate is issued in consideration of the payment in advance of the required premium and of your statements and representations in the Application. A copy of your Application is attached and made a part of this Certificate.

This Certificate, on its Effective Date, automatically replaces any Certificate or Certificates previously issued to you under the Plan.

ANY CERTIFICATES ISSUED IN THE STATE OF ARKANSAS ARE GOVERNED BY THE STATE OF ARKANSAS.

SECTION I DEFINITIONS

When the terms below are used in this Certificate, the following definitions will apply:

We, Us, Our - means Continental American.

You and Your - the Insured named in the Certificate Schedule.

Accidental Injury or Injuries - means bodily injury or injuries caused solely by or as the result of a covered accident.

Covered Accident - means an accident which occurs on or after your Effective Date, while this Certificate is in force and which is not specifically excluded.

Doctor or Physician - means a person, other than yourself or a member of your immediate family, who:

1. is licensed by the state to practice a healing art;
2. performs services which are allowed by his or her license; and
3. performs services for which benefits are provided by this Certificate.

Under the Fractures and Dislocations Benefit, a doctor means a person, other than yourself or a member of your immediate family, who is licensed by the state to practice medicine or osteopathy.

Hospital - means a place which:

1. is legally licensed and operated as a hospital;
2. provides overnight care of injured and sick people;
3. is supervised by a doctor;
4. has full-time nurses supervised by a registered nurse;
5. has on-site or pre-arranged use of X-ray equipment, laboratory and surgical facilities; and
6. maintains permanent medical history records.

A hospital is not:

1. a nursing home;
2. an extended care facility;
3. a convalescent home;
4. a rest home or a home for the aged;
5. a place for alcoholics or drug addicts; or
6. a mental institution.

Hospital Intensive Care Unit - means a specifically designed facility of the hospital that provides the highest level of medical care which is restricted to those patients who are critically ill or injured. Such facilities must be separate and apart from the surgical recovery room and from rooms, beds, and wards customarily used for patient confinement. They must be permanently equipped with special life-saving equipment for the care of the critically ill or injured. They must be under constant and continuous observation by nursing staffs assigned on a full-time basis, exclusively to the Intensive Care Unit.

Immediate Family - means your spouse, son, daughter, mother, father, sister or brother.

Your Occupation - means the occupation in which you are regularly engaged at the time you become disabled.

Actively at Work - to be considered actively at work, you must perform for a full normal workday the regular duties of your employment at the regular place of business of the group policyholder or at a location to which you may be required to travel to perform the regular duties of your employment.

Full-Time Work - means spending at least [30] hours per week performing your occupational duties.

Treatment or Medical Treatment - means consultation, care or services provided by a physician including diagnostic measures and taking prescribed drugs and medicines.

Elimination Period - means the number of days of hospital confinement that must elapse before benefits become payable. The number of days is shown in the Plan Schedule. Benefits are not payable, nor do they accrue during an Elimination Period.

ON-JOB BENEFITS - On-job benefits means the benefits we will pay if a covered accident occurs while you are working at any job for pay or benefits..]

[OFF-JOB BENEFITS - Off-job benefits means the benefits we will pay if a covered accident occurs while you are not working at any job for pay or benefits..]

SECTION II PREMIUMS AND INDIVIDUAL TERMINATIONS

PREMIUMS

Premiums are not Guaranteed: The initial premium shown in the Certificate Schedule is the premium covering the period from the Effective Date to the next renewal date of this Certificate. Renewal premiums will be in accordance with the schedule of premium rates in effect at the time of renewals as set forth in the Plan.

Certificate Term: The first term of this certificate starts on the Effective Date in the Certificate Schedule. It ends on the first renewal date also shown. Later terms will be the periods for which renewal premiums are paid when due. All terms will begin and end at 12:01 A.M., Standard Time, at the Policyholder's address. The renewal premium for each term will be due on the day preceding term end, subject to the Grace Period.

Grace Period: The Plan has a 31 day Grace Period. This means that if a renewal premium is not paid on or before the date it is due, it may be paid during the next 31 days. During the Grace Period, your coverage under the Plan will stay in force.

INDIVIDUAL TERMINATIONS

A Member's insurance will terminate on the earliest of:

1. the date the Plan is terminated;
2. on the 31st day after the premium due date if the required premium has not been paid;
3. on the date you cease to meet the definition of a Member as defined in the Plan;
4. on the premium due date which falls on or first follows your [70th] birthday; or
5. on the date he or she is no longer a member of the class eligible.

Termination of the insurance on any Member will be without prejudice to his or her rights as regarding any claim arising prior thereto.

[PORTABILITY PRIVILEGE]

When coverage would otherwise terminate under the Plan because you end employment with the Policyholder, you may elect to continue your coverage. The coverage you may continue is that which you had on the date your employment terminated, including dependent coverage then in effect.

1. Coverage may not be continued for any of the following reasons:
 - a. the insured failed to pay any required premium;
 - b. [the insured having attained age 70;
 - c.]the Group Policy terminates.
2. To keep your insurance in force the insured must:
 - a. make written application to the Company within 31 days after the date insurance would otherwise terminate; and
 - b. pay the required premium to the Company no later than 31 days after the date insurance would otherwise terminate.
3. Insurance will cease [on the earliest of these dates:
 - a.]the date the you fail to pay any required premium[;
 - b. the date the Group Policy is terminated].

[In the event the Policyholder's cancels coverage or the Plan is closed for new enrollments, the Policy will remain in effect for the benefit of those who have continued their coverage under the portability provision prior to the policy cancellation date.]

[Portability will remain available during the notification period prior to the cancellation date of the coverage.]

If you qualify for this Portability Privilege as described, then the same benefits, Plan provisions, and premium rate as shown in the Group Policy/certificate as previously issued will apply.]

SECTION III BENEFIT PROVISIONS

The benefit amounts payable under this Section are shown in the Benefit Schedule. Coverage terminates on the premium due date which falls on or first follows your [70th] birthday; at that time all benefits cease regardless of the maximum benefit period.

FRACTURES

Fractures - A fracture is a break in a bone which can be seen by x-ray you fracture a bone in a covered accident, and it is diagnosed and treated by a physician within 90 days after the accident, we will pay the appropriate amount shown in the Benefit Schedule.

If the fracture requires open reduction, we will pay [150%] of the amount shown in the Benefit Schedule.

Multiple Fractures - If more than one fracture requiring either open or closed reduction occurs in any one covered accident, we will pay the amounts shown in the Benefit Schedule for each fracture. However, we will pay no more than [150%] of the benefit amount for the bone fractured which has the higher dollar value.

Chip Fracture - A chip fracture is a piece of bone which is completely broken off near a joint. If a physician diagnoses the fracture as a chip fracture, we will pay 10% of the amount shown in the Benefit Schedule for the

affected bone.

DISLOCATIONS

Dislocation - A dislocation is a completely separated joint. If you dislocate a joint in a covered accident, and it is diagnosed and treated by a physician within 90 days after the accident, we will pay the amount shown in the Benefit Schedule.

If the dislocation requires open reduction, we will pay [150%] of the amount shown in the Benefit Schedule.

We will pay benefits only for the first dislocation of a joint. We will not pay for recurring dislocations of the same joint. If you dislocated a joint before the Effective Date of this Certificate and you dislocate the same joint again, it will not be covered by this Certificate.

Multiple Dislocations - If more than one dislocation requiring either open or closed reduction occurs in any one covered accident, we will pay the amounts shown in the Benefit Schedule for each dislocation. However, we will pay no more than [150%] of the benefit amount for the joint dislocated which has the higher dollar value.

Partial Dislocation - A partial dislocation is one in which the joint is not completely separated. If a physician diagnoses and treats the accidental injury as a partial dislocation, we will pay 25% of the amount shown in the Benefit Schedule for the affected joint.

Fracture and Dislocation - If you fracture a bone and dislocate a joint in the same accident, we will pay for both. However, we will pay no more than [150%] of the benefit amount for the bone fractured or joint dislocated which has the higher dollar value.

LACERATIONS

Lacerations - If you receive laceration in a covered accident and the laceration is repaired with stitches by a physician within 72 hours after the accident, we will pay the appropriate amount shown in the Benefit Schedule. The amount paid will be based on the length of the laceration.

If you receive a laceration in a covered accident and the laceration does not require stitches but is treated by a physician within 72 after the accident, we will pay the appropriate amount shown in the Benefit Schedule.

If you suffer multiple lacerations in a covered accident and the lacerations are repaired with stitches by a physician within 72 hours after the accident, we will pay this benefit based on the largest single laceration which requires stitches, as shown in the Benefit Schedule.

CONCUSSIONS

Concussions - If you are injured in a covered accident and the injury causes you to have a concussion, we will pay this benefit in the amount shown in the Benefit Schedule. Concussion means a head injury resulting in electroencephalogram abnormality.

COMA

Coma - If you suffer a coma lasting 30 days or more as the result of a covered accident, we will pay this benefit as shown in the Benefit Schedule. Coma means a state of profound unconsciousness caused by a covered accident.

EMERGENCY DENTAL WORK

Emergency Dental Work - We will pay this benefit if you receive an injury to sound natural teeth as the result of a covered accident. We will pay for repair with a crown or for extraction as shown in the Benefit Schedule.

INJURIES REQUIRING SURGERY

Eye Injuries - If you injure an eye in a covered accident and surgical repair is performed by a physician within 90 days after the accident, we will pay the amount shown in the Benefit Schedule. If a physician removes a foreign body from your eye, with or without anesthesia, we will pay the amount shown in the Benefit Schedule.

Tendons and Ligaments - If you tear, sever or rupture a tendon or ligament in a covered accident, receive treatment from a physician within 60 days, and have surgical repair within 90 days after the accident, we will pay the appropriate amount shown in the Benefit Schedule. The amount paid will be based on the number (single or multiple) of tendons or ligaments repaired.

If you are in a covered accident and fracture a bone or dislocate a joint, and tear, sever or rupture a tendon or ligament, we will pay only one benefit. We will pay the largest of the fracture benefit, the dislocation benefit, or the tendon and ligament benefit.

Ruptured Disc - If you rupture a disc in your spine in a covered accident, receive treatment from a physician within 60 days after the accident and have surgical repair by a physician within one year after the accident, we will pay the appropriate amount shown in the Benefit Schedule. The amount paid will be based on when the accident occurred.

Torn Knee Cartilage - We will pay this benefit in the amount shown in the Benefit Schedule if you are injured in a covered accident and:

1. Accidental injuries result in torn knee cartilage;
2. Such injury requires treatment by a physician within 60 days from the date of the covered accident; and
3. Such injury requires repair by surgical operation within one year from the date of the covered accident.

The amount paid will be based on when the accident occurred.

Internal Injuries - We will pay this benefit as shown in the Benefits Schedule if you have internal injuries as the result of a covered accident which results in open abdominal or thoracic surgery.

Exploratory Surgery - If as the result of an injury in a covered accident you have exploratory surgery (without repair), we will pay the amount shown on the Benefit Schedule.

PARALYSIS

Paralysis - Paralysis means the permanent loss of movement of two or more limbs. If you are injured in a covered accident and the injury causes paralysis which lasts more than 90 days and is diagnosed by a physician within 90 days after the accident, we will pay the appropriate amount shown in the Benefit Schedule. The amount paid will be based on the number of limbs paralyzed.

If this benefit is paid and you later die as a result of the same covered accident, we will pay the appropriate Death Benefit, less any amounts paid under the Paralysis Benefit.

BURNS

Burns - If you are burned in a covered accident and are treated by a physician within 72 hours after the accident, we will pay the burn benefit shown in the Benefit Schedule according to the percentage of body surface burned.

First degree burns are not covered.

SERVICES

Blood/Plasma - If you are injured in a covered accident and receive blood or plasma as a result of the injury within 90 days after the accident, we will pay the amount shown in the Benefit Schedule.

Ambulance - If you are injured in a covered accident and require transportation to a hospital by a professional ambulance service (including "air ambulance" service) within 90 days after the accident, we will pay the appropriate amount shown in the Benefit Schedule.

Transportation - We will pay this benefit if you are injured in a covered accident and the injury causes the attending physician to recommend hospital treatment or diagnostic study which is not available in your city of residence. We will pay the applicable amount shown in the Benefit Schedule for transportation by train, plane, or bus for each covered accident. Use of such transportation must begin within 90 days from the date of the covered accident. The distance to the location of the hospital treatment or diagnostic study must be greater than 50 miles from your residence.

Family Member Lodging - We will pay this benefit in amount and for the number of days shown in the Benefit Schedule, for each night's lodging in a motel/hotel room for an adult member of your immediate family when you are confined to a hospital for treatment of an injury due to a covered accident. The Hospital and motel/hotel must be more than 100 miles from your residence. The treatment must be prescribed by your local physician.

Medical Fees - If you are injured in a covered accident and receive treatment within one year after the accident, we will pay the amount shown in the Benefit Schedule for:

1. emergency room services and supplies;
2. X-rays;
3. physician services.

We will pay for these services up to the total amount shown for medical fees in the Benefit Schedule, for each covered accident.

This benefit is payable if you received initial treatment within 60 days after the accident.

Prosthesis - We will pay the amount shown in the Benefit Schedule for each prosthetic device you use as the result of an injury received in a covered accident. Hearing aids, wigs, or dental aids including but not limited to false teeth are not covered.

Appliances - If you are advised by a physician to use a medical appliance as an aid in personal locomotion as the result of an injury received in a covered accident, we will pay the amount shown in the Benefit Schedule. Medical appliance means crutches, wheelchairs, leg braces, back braces and walkers.

Accident Follow-up Treatment - We will pay this benefit when you receive follow-up treatment for an injury received as a result of a covered accident. We will pay for a maximum of 6 (six) treatments per covered accident. You must have received initial treatment within 72 hours of a covered accident and follow-up treatment must begin within 30 days of the covered accident or discharge from the hospital.

Physical Therapy - If you are injured in a covered accident and that injury requires physical therapy, we will pay this benefit for a maximum of six physical therapy sessions per covered accident. You must have received initial treatment for the injury within 72 hours of the covered accident and physical therapy must begin within 30 days of the covered accident or discharge from the hospital. Treatment must begin within 6 months of the accident. We will not pay this benefit for the same visit that the Accident Follow-up Treatment benefit is paid.

[**Wellness** - After premiums have been paid for 12 months and while your coverage is in force, we will pay the amount shown in the Benefit Schedule for annual physical exams, mammograms, pap smears, eye examinations, immunizations, flexible sigmoidoscopy, PAS tests, ultrasounds and blood screening. This benefit is payable once each 12-month period.]

HOSPITAL BENEFITS

Hospital Admission - We will pay this benefit when you are injured in a covered accident and the injury requires hospital confinement as a resident bed patient within 6 months of the date of the accident.

We will pay the Hospital Admission Benefit amount shown in the Benefit Schedule. We will not pay this benefit for confinement to an observation unit, or for emergency room treatment or outpatient treatment.

We will pay this benefit once per calendar year.

Hospital Confinement - If you are injured in a covered accident and the injury causes you to be confined to a hospital within 90 days after the accident, we will pay the amount shown in the Benefit Schedule, subject to the elimination period if any, for each day that you are confined to a hospital. The length of time shown for hospital confinement in the Benefit Schedule is the maximum period for which you can collect benefits for hospital confinements resulting from the same injury.

This benefit is payable once per hospital confinement even if the confinement is caused by more than one accidental injury.

Hospital Intensive Care - If you are injured in a covered accident and the injury causes you to be confined to a hospital intensive care unit, we will pay this benefit in amount and for the number of days shown in the Benefit Schedule per covered accident. This benefit is payable in addition to the Hospital Confinement Benefit above.

DISMEMBERMENT

Dismemberment - If you are injured in a covered accident and the injury causes loss of a hand, foot or sight within 90 days after the accident, we will pay the amount shown in the Benefit Schedule.

If you lose one hand, foot or the sight of one eye in a covered accident, we will pay the single loss benefit shown in the Benefit Schedule.

If you lose both hands, feet, the sight of both eyes or a combination of any two, we will pay the double loss benefit shown in the Benefit Schedule.

If you lose one or more finger or toe in a covered accident, we will pay the finger/toe benefit shown in the Benefit Schedule.

Dismemberment means:

1. **Loss of a hand:** the hand is cut off at or above the wrist joint; or
2. **Loss of a foot:** the foot is cut off at or above the ankle; or
3. **Loss of sight:** at least 80% of the vision in one eye is lost. Such loss of sight must be permanent and irrecoverable or
4. **Loss of a finger/toe:** the finger or toe is cut off at or above the joint where it is attached to the hand or foot.

If you do not qualify for the Dismemberment Benefit but lose at least one joint of a finger or toe, we will pay the

Partial Dismemberment shown in the Benefit Schedule.

If this benefit is paid and you later die as a result of the same covered accident, we will pay the appropriate death benefit, less any amounts paid under this benefit.

ACCIDENTAL DEATH

Accidental Death - If you are injured in a covered accident and the injury causes you to die within 90 days after the accident, we will pay the Accidental Death Benefit shown in the Benefit Schedule. If the Accidental Death Benefit is paid, we will not pay the Accidental Common Carrier Death Benefit.

Accidental Common Carrier Death - If you are injured in a covered accident and the injury causes you to die within 90 days after the accident, we will pay the Accidental Common Carrier Death Benefit in the amount shown in the Benefit Schedule if the injury is the result of traveling as a fare-paying passenger on a common carrier, as defined below.

Common carrier means:

1. an airline carrier which is licensed by the United States Federal Aviation Administration and operated by a licensed pilot on a regular schedule between established airports;
2. a railroad train which is licensed and operated for passenger service only; or
3. a boat or ship which is licensed for passenger service and operated on a regular schedule between established ports.

If the Accidental Common Carrier Death Benefit is paid, we will not pay the Accidental Death Benefit.

SECTION IV LIMITATIONS AND EXCLUSIONS

PRE-EXISTING CONDITION LIMITATION

PRE-EXISTING CONDITION - Pre-existing Condition means within the 12-month period prior to the Effective Date of this Certificate and attached Riders, as applicable, those conditions for which:

1. Medical advice or treatment was received or recommended; or
2. The existence of symptoms which would cause an ordinarily prudent person to seek diagnosis, care, or treatment.

We will not pay benefits for any loss or injury which is caused by, contributed to by, or resulting from a pre-existing condition for 12 months after the Effective Date of your Certificate and attached riders, as applicable.

A claim for benefits for loss starting after 12 months from the Effective Date of your Certificate and attached riders, as applicable, will not be reduced or denied on the grounds that it is caused by a pre-existing condition.

This certificate may have been issued as a replacement for a Certificate previously issued to you under the Plan. If so, then the pre-existing condition limitation provision of this Certificate applies only to any increase in benefits over the prior Certificate. Any remaining period of pre-existing condition limitation of the prior Certificate would continue to apply to the prior level of benefits.

EXCLUSIONS

We will not pay benefits for loss caused by pre-existing conditions (except as stated in the previous provision).

We will not pay benefits for loss, injury, or death contributed to, caused by, or resulting from:

1. **Suicide** - committing or attempting to commit suicide, while sane or insane.
2. **Sickness** - having any disease or bodily/mental illness or degenerative process. We also will not pay benefits for any related medical/surgical treatment or diagnostic procedures for such illness.
3. **Self-Inflicted Injuries** - injuring or attempting to injure yourself intentionally.
4. **Racing** - Riding in or driving any motor-driven vehicle in a race, stunt show or speed test.
5. **Aviation** - operating, learning to operate, serving as a crew member on, or jumping or falling from any aircraft, including those which are not motor-driven.
6. **Intoxication** - being legally intoxicated, or being under the influence of any narcotic, unless such is taken under the direction of a physician.
7. **Illegal Acts** - participating or attempting to participate in an illegal activity, or working at an illegal job.
8. **Sports** - participating in any organized sport: professional or semi-professional.
9. **Driving** - driving any taxi or intrastate or interstate long-distance vehicle for wage, compensation or profit.
10. **Avocations** - mountaineering using ropes and/or other equipment, parachuting or hand-gliding.
11. **Cosmetic Surgery** - having cosmetic surgery or other elective procedures that are not medically necessary or having dental treatment except as a result of covered accident.
12. [an injury arising from any employment;]
13. [injury or sickness covered by Worker's Compensation;]

SECTION V CLAIM PROVISIONS

Notice of Claim - Written notice of claim must be given within 60 days after the covered accident or as soon as reasonably possible. The notice must be sent to us at our Home Office in Columbia, South Carolina. The notice should include the name of the insured and the Certificate number.

Claim Forms - When we receive notice of a claim, we will send you the forms for filing proof of loss. If these forms are not sent to you within 15 working days, you will meet the proof of loss requirements by giving us a written statement of the nature and extent of the loss within the time limit stated on the Proof of Loss Section.

Proof of Loss - You must give us written proof within 90 days after the loss for which you are seeking benefits. If it is not reasonably possible to give written proof in the time required, we shall not reduce or deny the claim for this reason if the proof is filed as soon as reasonably possible. In any event, the proof required must be given no later than one year from the covered accident unless you were legally incapacitated during that time.

Time of Payment of Claims: After we receive written proof of loss and process your claim, we will pay monthly all benefits then due for the claims providing a periodic payment. Benefits for any other loss covered by this Plan will be paid as soon as we receive proper written proof.

Payment Of Claims - Benefits will be paid to you. All of the benefits due will be paid to you unless you assign them elsewhere. Any benefits unpaid at the time of your death will be paid in the following order:

1. to any approved assignee;
2. your beneficiary;
3. your surviving spouse;
4. your estate.

Changing Your Beneficiary - You can ask us to change your beneficiary at any time. The request must be in writing and the change must be approved by us. If approved, it will go into effect the day you sign the request. The change will not have any bearing on payments made before we approved the request.

Unpaid Premium - When a claim is paid, any premium due and unpaid may be deducted from the claim payment.

Physical Examination And Autopsy - At our expense, we can require you to have a physical examination as often as reasonably necessary while a claim is pending, or an autopsy in the case of death, where allowed by law. This will be done at our expense.

Legal Action - You cannot take legal action against us for benefits under this Plan:

1. within 60 days after you have sent us written proof of loss; or
2. more than 6 years from the time written proof is required to be given.

SECTION VI GENERAL PROVISIONS

Entire Contract - The entire contract consists of:

1. the Plan;
2. the application of the policyholder; and
3. if applicable, your application(s).

All statements made in such application(s) shall, in the absence of fraud, be deemed representations and not warranties. No statement will be used in defense of a claim under this Plan unless:

- a. the statement is in writing signed by the policyholder or by you; and
- b. a copy of that statement is given to the policyholder or to you or to your beneficiary.

Contract Changes - No change in the Plan is valid unless approved by our Home Office and unless such approval is endorsed by an officer and attached to this Plan. No agent has the authority to change this Plan or to waive any of its provisions.

Misstatements of Age - If you incorrectly stated your age or the ages of your dependents, if any, in the application, the benefits will be such as the premium paid would have purchased at the correct age. If, based on the correct ages, we would not have issued your certificate or insured certain dependents under this certificate, then our responsibility will be to refund the excess premium paid, if any.

Time Limit On Certain Defenses - After the Plan has been in force for two years as respects a Member, only fraudulent misstatements in the application of that Member may be used to void his or her coverage or to deny any claim for loss incurred or disability that starts after the two year period.

Clerical Error- Clerical error by the policyholder will not end coverage or continue terminated coverage. In the event of such clerical error, a premium adjustment will be made.

Conformity With State Statutes - Any provision of the Plan which, on the Effective Date, is in conflict with the laws of the state in which the Plan was issued, will be amended to conform to the minimum requirements of those laws.

If we at Continental American Insurance Company fail to provide you with reasonable and adequate service, you should feel free to contact:

Arkansas Insurance Department
1200 West Third Street
Little Rock, AR 72201-1904
(501) 371-2640 or 1 (800) 852-5494

SECTION VII**BENEFIT SCHEDULE****FRACTURES**

Hip/thigh	\$4,500
Vertebrae	4,050
Pelvis	3,600
Skull (depressed)	3,375
Skull (simple)	1,575
Leg	2,700
Foot/ankle/knee cap	2,250
Forearm/hand	2,250
Lower jaw	1,800
Shoulder blade/collar bone	1,800
Upper arm/upper jaw	1,575
Facial bones (except teeth)	1,350
Vertebral processes	900
Coccyx/rib/finger/toe	360

DISLOCATIONS

Hip	3,600
Knee (not knee cap)	2,600
Shoulder	2,000
Foot/ankle	1,600
Hand	1,400
Lower jaw	1,200
Wrist	1,000
Elbow	800
Finger/toe	320

LACERATIONS

Over 6"	400
2" to 6"	200
Under 2"	50

Lacerations not requiring stitches	25
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CONCUSSIONS	200
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COMA	10,000
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EMERGENCY DENTAL WORK

Repair with crown	150
Extraction	50

INJURIES REQUIRING SURGERY

Eye injuries	
Requiring surgical repair	250

Removal of foreign body	50
Tendons/ligaments	
Single	400
Multiple	600
Ruptured disc	
Date of injury occurs during first certificate year	100
Date of injury occurs after first certificate year	400
Torn knee cartilage	
Date of injury occurs during first certificate year	100
Date of injury occurs after first certificate year	400
Internal Injuries	1,000
Exploratory Surgery (without repair)	250
PARALYSIS	
Four limbs (quadriplegia)	10,000
Two limbs (paraplegia)	5,000
BURNS	
Second Degree	
Less than 10%	100
At least 10% but less than 25%	200
At least 25% but less than 35%	500
35% or more	1,000
Third Degree	
Less than 10%	500
At least 10% but less than 25%	3,000
At least 25% but less than 35%	7,000
35% or more	10,000
SERVICES	
Blood/plasma	100
Ambulance	100
Air ambulance	500
Transportation	
Train or Plane	300
Bus	150
Family Member Lodging	100/per night

Maximum Benefit - 30 days

Medical fees

Maximum per accident 125

Prosthesis 500

Appliances 100

Accident Follow-up Treatment 25

Maximum of 6 treatments per covered accident

Physical Therapy 25

Maximum of 6 treatments per covered accident

Wellness 60

Once per 12-month period

HOSPITAL ADMISSION \$1,000

Payable once per calendar year

HOSPITAL CONFINEMENT \$200 /day

Maximum Benefit - 365 days

0 Day elimination Period

HOSPITAL INTENSIVE CARE \$400 /day

Maximum Benefit - 30 days

0 Day elimination Period

ACCIDENTAL DISMEMBERMENT

Loss of hand, foot or sight

Single loss 6,250

Double loss 25,000

Loss of one or more finger or toe 1,250

Partial Amputation of finger or toe 100

ACCIDENTAL DEATH 50,000

ACCIDENTAL COMMON CARRIER DEATH 100,000

SECTION VIII**CERTIFICATE SCHEDULE**

Insured - [John A. Doe]
Effective Date - [June 1, 2003]
***Initial Premium -** [\$109.75 Monthly]

Group Policy Number - [895]
Certificate Number - [51491]
First Renewal Date - [July 1, 2003]

HOSPITAL ADMISSION \$1,000
Payable once per calendar year

HOSPITAL CONFINEMENT \$200/day
Maximum Benefit - 365 days
0 Day elimination Period

HOSPITAL INTENSIVE CARE \$400/day
Maximum Benefit - 30 days
0 Day elimination Period

Coverage Includes Other Benefits Shown In The Benefit Schedule

*Initial premium includes the premium for any riders purchased at the same time as the coverage provided by your certificate.

This certificate terminates on the premium due date which falls on or first follows your 70th birthday.

APPLICATION FOR GROUP ACCIDENT ONLY INSURANCE

Application is hereby made to:



CONTINENTAL AMERICAN INSURANCE COMPANY

2801 Devine Street, Columbia, South Carolina 29205
800-433-3036

By _____
Policyholder

of _____
(City, State)

for a Plan of Group Accident Only Insurance, and representations are made as follows:

1. Class of Members Eligible for Coverage:

☐ Regular full-time Members under age 70

☐ Regular full-time Members under age 70 except _____

☐ Other: _____

Full-time Member is one who works ____ hours or more per week. A Member must be Actively at Work on the date he applies and on the date his Group Accident Only Insurance is to become effective. A Member must have completed _____ months of continuous service before being eligible.

2. The minimum number of enrolled Members necessary to keep the Group Policy in force is _____

3. Effective Date:

The requested effective date of the Group Policy is _____

4. Optional Features:

5. Will this Group Accident Only Policy replace any existing Group Accident Only Policy?

Yes ☐

No ☐

6. General Agreement:

The applicant agrees to transmit the total premiums under the group policy to Continental American Insurance Company at its Home Office when due. No agent or other person except an officer can make or change any contract or agreement on behalf of Continental American Insurance Company.

By _____	
Title _____	Date _____



ENROLLMENT FORM

Please Mail: Post Office Box 427
Columbia, South Carolina 29202
(800) 433-3036

FOR HOME OFFICE USE ONLY

PLAN	PLAN CODE	ID NUMBER
Accident		
Endorsement:		
EFFECTIVE DATE:		

Employee Name/Owner (First, MI, Last)		S.S.N./ ID Number		Gender	Date of Birth
Street Address		City		State	Zip
Employer		Job Class	Location		Date of Hire
Hours Worked	Daytime Phone No.	Beneficiary Name / Relationship (estate unless designated otherwise)			
Spouse's Name (if coverage is requested)		Gender	Spouse Date of Birth		
				Employee	Spouse
Are you actively at work?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
Are you now hospitalized or unable to perform your normal duties and activities?					<input type="checkbox"/> YES <input type="checkbox"/> NO

List all eligible children for whom you are proposing coverage (from Youngest to Oldest):

Name	Gender	Date of Birth	Name	Gender	Date of Birth

ACCIDENT ☐ 24 Hour] [☐ Non-Occupational] Plan _____ [Section 125 ☐ Yes ☐ No]
☐ Employee [☐ Employee & Spouse] [☐ Employee & Children] [☐ Family] **Cost per pay period:** \$ _____

To the best of my knowledge and belief, the answers to the questions on this application are true and complete. They are offered to Continental American Insurance Company as the basis for any insurance issued.

- Does this coverage replace or change any existing insurance? ☐ YES ☐ NO
- If "Yes," provide carrier and policy number: _____

CERTIFICATION: I have read the completed application and I realize any false statement or misrepresentation in the application may result in loss of coverage under the certificate. I understand that no insurance will be in effect until my application is approved and the necessary premium is paid.

Coverage will not become effective unless you are actively at work on the date of the enrollment and the effective date of coverage.

I understand and agree that the coverage that I am applying for may have a pre-existing condition exclusion.

I authorize my employer to deduct the appropriate dollar amount from my earnings and to deduct and pay Continental American Insurance Company the premium required thereafter each pay period for my insurance.

Deduction start date _____

Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

Date _____ Signature of Applicant _____

Date _____ Signature of Agent _____ Agent # _____ State of Enrollment _____